FBIS DAILY REPORT

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ALFONSIN INVITED TO DISARMAMENT MEETING

PY270002 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1920 GMT 26 Jun 85

[Excerpt] Buenos Aires, 26 Jun (NA) -- It has been leaked by official sources that President Raul Alfonsin today received an invitation to participate in the second meeting of the "Group Six" on disarmament, a meeting that is to be held in Geneva on 3 and 4 September. The sources stated that, besides Alfonsin's invitation, Argentina will be represented by Ambassador for Peace and Disarmament [title as received] Aldo Tessio.

ALFONSIN, CGT'S MIGUEL HOLD CONFIDENTIAL MEETING

PY262346 Buenos Aires TELAM in Spanish 1031 GMT 26 Jun 85

[Text] Buenos Aires, 26 Jun (TELAM) -- Several news media in Buenos Aires today reported that last Sunday, President Raul Alfonsin held a confidential meeting with Metalworkers Union (UOM) leader Lorenzo Miguel. The meeting was supposedly held to review the implementation of the so-called "social truce." The reports, printed in the morning dailies CLARIN, AMBITO FINANCIERO, and TIEMPO ARGENTINO, state that Alfonsin asked Miguel to support the program of economic measures announced by the government on 14 June, especially concerning the social truce which would include businessmen and unionists.

The meeting materialized thanks to the work of Radical Civic Union [UCR] lawmakers, who have maintained good relations with unionists linked to the 62 Organizations. The report states that Senator Juan Trilla and Deputy Cesar Jaroslavsky for the government, and union leaders Lesio Romero (meat cutters) and Diego Ibanez (oilworkers), who is also a deputy, participated in the arrangements. Nevertheless, before the meeting actually took place, the head of state and Miguel held a brief phone conversation. This was on the same day the economic announcements were made. During the conversation, Alfonsin discussed the forthcoming reforms with Miguel.

According to the reports disseminated by the morning dailies, the meeting, in which Miguel participated along with Ibanez, was held on the morning of 23 June. During the talks, which were termed cordial, both Alfonsin and Miguel reportedly agreed on the implementation of mechanisms of mutual consultation. During the meeting, Alfonsin frankly discussed the country's current situation and the nefarious consequences that the failure of the implemented economic plan would bring. In turn, Miguel protested the fact that union leadership was left out in the cold in the process that preceded the economic announcements.

Nevertheless, the governmental stance apparently struck Miguel, something which, as the reports add, has, in principle, been reflected in a postponement of a paid advertisement criticizing the economic program that the 62 Organizations were to have published last Monday. Also, the reports credit Miguel's powerful influence with the General Confederation of Labor [CGT] for the moderation of the CGT leaders vis-a-vis the measures adopted, after the initial criticism which was made public at 802 Azopardo Street [CGT headquarters].

The CGT asked for an emergency salary increase of 50 percent, a salary increase that was to go into effect prior to the freeze on prices and public service rates decreed for 13 June.

The meeting was a result of the progress achieved by the Odeon sector of Justicialism to which Miguel belongs. This progress was made in the party elections and has become more remarkable with the victory achieved by Jose Maria Vernet in the elections held in Santa Fe, and the agreement reached to hold a convention seeking unity on 6 and 7 July in the city of Santa Rosa, La Pampa Province.

According to the reports, among the agreements reached are the maintenance of specifically labor related matters within the scope of the Labor Ministry, and the continuation, through Jaroslavsky and Ibanez, of the discussion in Congress of the political aspect concerning the relationship between the UCR and the leading opposition force.

[Buenos Aires TELAM in Spanish at 1411 GMT on 26 June adds: "UCR's bloc leader in the Chamber of Deputies, Cesar Jaroslavsky, today confirmed the meeting held last Sunday between President Raul Alfonsin and union leader Lorenzo Miguel at the Olivos villa. The lawmaker, who made statements at Government House, stated that the reason for the meeting was possibly linked to the new course the country is following."]

GOVERNMENT NOT TO LAY OFF PUBLIC WORKERS

PY262139 Buenos Aires BUENOS AIRES HERALD in English 26 Jun 85 p 1

[Text] (NA-DYN) -- Economic Coordination Secretary Adolfo Canitrot yesterday denied news reports that the government is studying the possibility of laying off public employees and said the CGT's [General Confederation of Labor] demand of an across-the-board 50 percent pay hike is "out of the question." But just hours later the unified CGT announced it would today formally call on political and social groups to take up its banner in demand of an emergency wage increase and a government pledge that workers will not be laid off or suspended in coming months.

Canitrot, acting as spokesman after yesterday's socio-economic cabinet meeting, said government policy is aimed at "naturally cutting back the number of employees' by not filling job vacancies. He added that the vacancies opened this year "as a result of voluntary retirements will total 80,000."

However, the daily TIEMPO ARGENTINO yesterday said the government was studying the possibility of giving state workers leaves of absence of up to two years or until they find another source of employment. And according to business sources Argentine Industrial Union (UIA) Vice-Chairman Gilberto Montagne yesterday told UIA members that Economy Minister Juan Sourrouille last week met with businessmen to discuss what measures should be taken were "workers to react strongly" if "a situation of virtual unemployment in light of an eventual recession" were to arise.

Meanwhile government sources said the Interior Ministry has begun its own programme to reduce personnel in the Federal Capital and fill needs in the provinces by offering workers their same positions in government posts in the interior.

CGT directive council members met last night to discuss the government's economic reform plan to drastically reduce inflation and the state fiscal deficit. Secretary-General Saul Ubaldini said later the CGT is willing to meet with President Raul Alfonsin to discuss details of the plan. Reliable sources said the CGT's decision to avoid a clash with the government over the plan was favoured by a secret meeting last Sunday between Alfonsin and Metal Workers' Union chief Lorenzo Miguel.

The UIA last night in a statement hailed the government for "responding intelligently by changing its anti-inflation strategy" but warned that the battle against inflation would not be a true victory if it were "at the cost of the mass disappearance of business, physical and human captial, and the loss of sources of employment." UIA delegates met all yesterday in Cordoba to study the government's plan. The UIA also charged that the government's attempts to reduce the state deficit by raising taxes and public service rates "means the private sector will end up paying for the adjustment." The UIA further stated that real interest rates "should have a reasonable maximum level" so as not to force business into tight credit situations.

CGT WANTS TO PREPARE ALTERNATIVE ECONOMIC PLAN

PY261302 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0011 GMT 26 Jun 85

[Text] Buneos Aires, 25 Jun (NA) -- Tomorrow the General Confederation of Labor [CGT] will call for a broad political and social convention to prepare an economic plan to serve as an alternative to the one being implemented by the government. The CGT will renew its demands that layoffs and suspensions be stopped, and it will ask for a salary readjustment to compensate for the price increases that preceded the price freeze. Secretary General Saul Ubaldini today said that the workers organization maintains its "willingness to hold a dialogue" with the government, but a dialogue in which "the workers will not be passive listeners."

The decision to call for a convention was made tonight during a meeting of the Executive Council. It will be made official in a document to be released tomorrow afternoon.

NEW ISSUANCE OF AUSTRALS EXPECTED MID-JULY

PY270221 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2024 GMT 26 Jun 85

[Excerpts] Buenos Aires, 26 Jun (NA) -- Sources contacted by NA have stated that economic authorities foresee a new issuance of australs by mid-July to meet the fiscal deficit and pay the salaries of the public servants on schedule.

This matter would reportedly be kept secret by means of not publishing the weekly balance sheets of the Central Bank [BCRA], something that has already been occurring since early June. According to extremely reliable sources, during the second week of June, the BCRA issued 150 million australs, which are to be used to pay salaries and year-end bonuses in late June. That issuance could not be confirmed since the BCRA stopped publishing the weekly balance sheets during the second week of June. Nevertheless, upon being questioned a few days ago on this issue during a program on Buenos Aires television station, Radical Civic Union Deputy Federico Storani implicitly admitted the existence of that issuance, which has been denounced by Democratic Centrist Union Deputy Alvaro Alsogaray.

It could be established that, to meet the fiscal deficit in July, a new issuance will reportedly be made. This issuance might be smaller than the previous one, which will reportedly be justified through technical means.

It is appropriate to mention that, upon announcing the economic program implemented in mid-June, President Raul Alfonsin, Economy Minister Juan Sourrouille, and other lesser government officials repeatedly stated during the program that new issuances would not take place except for those matching the fluctuation in the international reserves.

FOREIGN TRADE, TOURISM UNDER FOREIGN MINISTRY

PY270051 Buenos Aires TELAM in Spanish 2111 GMT 26 Jun 85

[Text] Buenos Aires, 26 Jun (TELAM) -- The commercial aspects of foreign trade and tourism will be placed under the jurisdiction of the Foreign Ministry to channel all the country's foreign resources into the commercial drive, presidential spokesman Jose Ignacio Lopez announced this afternoon. In statements to the press assigned to Government House, Lopez added that to that end the executive branch will soon send to Congress a draft bill proposing some amendments in the powers established under the law on ministries.

Lopez also stated that a report published today in a morning daily stating that there would be personnel changes on the board of directors of the Central Bank of the Argentine Republic, including Chairman Alfredo Concepcion, is incorrect.

TROCCOLI RECEIVES REPORT ON GUGLIEIMINETTI

PY270313 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2015 GMT 26 Jun 85

[Excerpt] Buenos Aires, 26 Jun (NA) -- Raul Antonio Guglieiminetti, who is being detained in Madrid, reportedly received $2 million from the relatives of kidnapped businessman Sergio Meller by claiming that he was a presidential official who was to negotiate Meller's release from the kidnappers. This assertion was presented to Interior Minister Antonio Troccoli yesterday in an astonishing report. According to this report, Guglieiminetti could have been kept abreast of the police investigations by a lieutenant colonel assigned to a military intelligence agency, something which allowed Guglieiminetti to flee to a foreign country.

Guglieiminetti is also being charged with having conducted investigations on Diego Ibanez, the Justicialist bloc leader in the Chamber of Deputies and on a woman "from the media," presumably linked to Radical Civic Union [UCR] Deputy Stubrin. In addition, the report mentions alleged telephone contacts, which had reportedly been taped but later destroyed, between high-ranking government officials and Guglieiminetti, and the ties that the latter reportedly maintained with military and police leaders.

Reliable sources have revealed that the reports are contained in a memorandum that Buenos Aires Province Justicialist leader Herminio Iglesias, Justicialist Deputy Norberto Imbelloni, and UCR Deputy Vicente Mastrolorenzo delivered to the interior minister during a meeting held at Government House yesterday. These persons delivered a 4-page memorandum to Troccoli, a memorandum in which they raise questions concerning Guglieiminetti's activities and contacts, but do not mention his accomplices Juan Carlos Fotea and Alberto Gonzalez, who are now also being detained in Madrid.

In addition, the interior minister received several pictures of Guglieiminetti in a government office, standing behind President Raul Alfonsin and Mrs Maria Estela Martinez de Peron, whom he was assigned to guard during her visit, while they are having coffee.

The report filed by the Justicialist leaders hints, among other things, at an alleged attempt to establish an intelligence service or a "general intelligence directorate" [direccion general de informaciones] which was to operate within t National Congress, an intelligence service which reportedly was to be Guglieiminetti's responsibility.

BRIEFS

IBRD LOAN -- The International Bank of Reconstruction and Development [IBRD] has granted Argentina a $180-million loan for the development of gas deposits. This loan is to be repaid in 15 years, with a 3-year grace period. The first installment will have to be paid in February 1989. The interest rates will vary around 8 percent per annum. [Excerpt] [Buenos Aires Domestic Service in Spanish 2300 GMT 25 Jun 85]

BUSINESSMEN PROTEST NATIONALIZATION OF MINE

PY261325 Madrid EFE in Spanish 2348 GMT 25 Jun 85

[Text] La Paz, 25 Jun (EFE) -- The Bolivian Private Businessmen's Confederation [CNEPB] tonight declared a state of emergency to protest the nationalization of the private Totoral tin mine by the government of Hernan Siles Zuazo. The business leaders labeled the measure adopted by the government, decreed on the night of 24 June, a heavy blow to free enterprise.

A CNEPB statement condemning the government for nationalizing the Totoral mine without a judicial ruling states that the phase that Bolivia is currently experiencing will be recorded in history as one of institutional obscurantism as a result of the trampling of democratic laws.

Considered the largest tin-producing mine in Bolivia, the Totoral mine, which is located in the Antequera lode, 320 km south of La Paz, was administered by the private Orlandini Limited Company. Company executives said that the government's attitude is intended to please the labor leadership, which is determined to create a climate of social unrest that will force the postponement of the 14 July elections.

Despite their protest, the executives said that they will not be affected by that measure which, just like the recent takeover of two private hotels (Sheraton, a five-star hotel; and the Crillon, a three-star hotel), is intended to create a climate of unrest that will prevent holding the elections.

MNR DENIES RUMORS ON ESTENSSORO'S WITHDRAWAL

PY262107 La Paz Cadena Panamericana in Spanish 1700 GMT 26 Jun 85

[Excerpts] In remarks to Radio Panamericana, Guillermo Riveros Tejada, secretary general of the electoral board of the Nationalist Revolutionary Movement [MNR], has rejected reports broadcast by a political party's radio station. Riveros stated that the report saying that Paz Estenssoro will reportedly give up his electoral campaign is absolutely groundless, and not based on any serious or responsible source. On the contrary, he said, it is just part of a political intrigue.

Riveros Tejada added that Paz Estenssoro will not give up his electoral campaign or his candidacy. The MNR campaign is still going strong, he stated.

[Begin recording] Paz Estenssoro's electoral campaign will conclude on 6 August at Government Palace, where the new president of all Bolivians will begin his work at the service of all Bolivian citizens. Meanwhile, we of the MNR are engaged in consolidating this victory which can already be felt throughout the streets and towns of Bolivia. [end recording]

BRIEFS

CONSULAR AGREEMENT WITH USSR -- Yesterday Bolivian Foreign Minister Edgar Camacho Omiste and Soviet Ambassador Arkadiy Glukhov exchanged documents ratifying the consular agreement between Bolivia and the Soviet Union. [Summary] [La Paz PRESENCIA in Spanish 6 Jun 85 p 8 PY]

PRESIDENT SARNEY RECEIVES LABOR UNION LEADERS

PY261652 Paris AFP in Spanish 2018 GMT 25 Jun 85

[Excerpt] Brasilia, 25 Jun (AFP) -- Representatives of 11 of the 12 Brazilian labor organizations held a meeting with President Jose Sarney at his O Torto farm residence near Brasilia to put forth their demands. Jair Meneguelli, president of the Sole Central Organization of Workers [CUT], was the only union leader absent from the meeting.

After submitting the president of the Republic to a tough test through a number of strikes seeking salary readjustments equivalent to inflation rates, the union leaders today demanded guarantees for the recovery of the purchasing power of workers salaries. Sarney, however, asked them to show patience in their demands and to wait for an improvement of the national economy.

The suggestion by the president of the National Conference of Working Classes to declare a unilateral moratorium to ease Brazil's foreign debt burden was categorically rejected by Finance Minister Francisco Dornelles. This possibility can only be considered as a last resort if we are not able to renegotiate our debt, Dornelles stated.

In general terms, the union leaders expressed satisfaction over the amendment of the law on strikes and unions, which allows the unions autonomy and freedom, although some expressed regret that the bill on the exercise of the right to strike is too restricted for public administration workers and the so-called basic sectors.

The 11 union leaders asked Sarney to remain firm in his agrarian reform project, which has awakened strong resistance among large landowners and business sectors.

BISHOPS SUPPORT SARNEY ON AGRARIAN REFORM

PY261650 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 26 Jun 85

[Excerpts] During a 75-minute visit with members of the National Conference of Brazilian Bishops [CNBB], President Jose Sarney yesterday described the agrarian reform program and the anti-inflation struggle as basic priorities of his government. The CNBB gave its support to Sarney.

[Report from Brasilia by Carlos Rodrigues] President Sarney has reaffirmed that he will implement the government-proposed agrarian reform program and he received the CNBB's support. Sarney yesterday met in Brasilia with CNBB leaders and the main point of their discussion was agrarian reform. CNBB President Ivo Lorscheider said that the Catholic Church supports agrarian reform and will help the government in promoting awareness of the need for it.

[Begin Lorscheider recording] (?The church) is aware of the need for this measure. We support the government and trust that it will not give up. For our part, we will help promote awareness of this reform. It is not a question of violating legitimate rights of others, but of democratizing the land ownership system; it is not a question of instigating conflicts, but of bringing peace to the rural people. [end recording]

President Sarney yesterday also discussed the constituent assembly issue. The government Political Council yesterday convened at Planalto Palace and approved an outline of the proposal. Justice Minister Fernando Lyra will discuss the proposal with opposition leaders and changes can be made until 28 June, when President Sarney will sign it and send it to the National Congress.

The bill proposes that the election of constituent assembly members be held in November 1986 and that it convene in February 1987. The opening session of the assembly will be chaired by the federal chief justice until the constituent assembly elects its own president. [end report]

COMMUNIST PARTY LEADER MAKES POLICY STATEMENTS

PY251325 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 23 Jun 85 p 2

[Text] During a ceremony held at the city hall in Sao Paulo to install 34 provisional district commissions and the party's provisional municipal commission, Communist Party of Brazil [PCdoB] Secretary General Joao Amazonas on 22 June stated that "socialism is not that bunch of lies disseminated by the bourgeoisie. These lies pretend that socialism is against the people. In fact, socialism is the only alternative which can keep the people from being exploited by imperialism."

Amazonas remarked that the manifesto program filed by the PCdoB with the Higher Electoral Court does not yet deal with the great socialist theses and claims. It is "nationalistic and democratic, anti-imperialistic and antitrust, in keeping with the current Brazilian situation and the period of democratic transition." Amazonas justified the need for a new program at a time when the PCdoB returns to a legal status owing to changes in Brazilian capitalism which has developed an "industry, but an industry dependent on other countries, while Brazil itself is in the hands of the big international bankers."

The party, Amazonas stressed, seeks "the unity of broad forces in the country toward democracy. It does not want to be an exclusive party. On the contrary, it seeks to side with other truly democratic trends." According to Amazonas, the PCdoB has 15,000 members now and, following its legalization, it must reach the 40,000 mark.

BRIEFS

NEW RORAIMA GOVERNOR -- Getulio Alberto de Souza Cruz has been appointed governor of Roraima Territory. [Excerpt] [Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 26 Jun 85 PY]

COCAINE HAULS, ARRESTS -- In a series of [word indistinct] in Sao Paulo, the Federal Police seized 130 kg of cocaine and arrested five drug traffickers, including Bolivian Juan Lopez Zuniga who is believed to be one of the most important drug traffickers in the world. [Text] [Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 11 Jun 85 PY] Sao Paulo -- The Federal Police yesterday confiscated here 40 kg of cocaine and arrested three Brazilian citizens and six Bolivian citizens. These were members of an international gang that has been shipping cocaine to the United States and Europe. In less than a week, the Federal Police have confiscated 170 kg of cocaine. [Text] [Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 15 Jun 85 PY] According to the daily HOY, an anti-drug operation was carried out in Chapare, Cochabamba Department, on the weekend of 25-26 May with the participation of special police units which destroyed 215 cocaine laboratories. During the operation 16 people were arrested and (Chiqui Suarez) was killed in a confrontation when 20 kg of cocaine were seized. [Summary] [La Paz Radio Illimani Network in Spanish 1700 GMT 27 May 85 PY]

GOVERNMENT AGREES TO NEGOTIATE NASA PROJECT

PY271142 Santiago Domestic Service in Spanish 1100 GMT 27 Jun 85

[Text] The Chilean Foreign Ministry has issued an official declaration on the meeting held by Foreign Minister Jaime del Valle and U.S. Ambassador James Theberge. The communique states that the meeting was designed to inform the U.S. representative of President Pinochet's decision to accept the start of negotiations on the possible use of Easter Island airport for emergency landings by space shuttles. The communique goes on to point out that during the meeting Minister Del Valle explained to Ambassador Theberge the basic reasons that inspire the Chilean Government's stance regarding the project.

An agreement was also reached regarding the procedures to be followed during the negotiations, which will be held at the Chilean Foreign Ministry. The communique ends by stating that the first work meeting has been scheduled for Wednesday, 3 July.

JUNTA MEMBER MERINO SUPPORTS FORM OF DIALOGUE

PY261340 Santiago Domestic Service in Spanish 2300 GMT Jun 85

[Excerpts] Admiral Jose Toribio Merino has said that he favors a dialogue, but not necessarily a political one. Merino granted a press conference after a routine meeting of the legislative junta in the Diego Portales building. During the session, the junta approved Chilean participation in an international agreement on telecommunications. Merino explained the contents of this agreement:

[Begin recording] [Merino] During this session we approved Chilean participation in the international telecommunications agreement, and we rejected some objections by the Soviet Union, that is, Moscow, Belorussia, and some other socialist countries, during the international congress at which this agreement was approved. These countries objected to allowing Chile to sign the agreement.

In order to understand each other, people should talk, in which case it would be a dialogue; and if there are many people, it would be a conference. In order to understand each other, human beings have to talk...

[Reporter, interrupting] So do you think it is time for a political dialogue?

[Merino] Who knows, why political? It does not necessarily have to be a political one. We could talk about many things, such as how to face problems or to solve them, but not necessarily about political matters. [end recording]

LABOR MINISTER DENOUNCES COMMUNIST UNION LEADERS

PY261614 Santiago Domestic Service in Spanish 1100 GMT 26 Jun 85

[Excerpt] Labor Minister Alfonso Marquez de la Plata has denounced the existence of so-called communist union leaders who are only interested in destabilizing the government. The minister made this statement in answer to a question posed to him during a meeting with the members of the Chilean Institute for Rational Business Administration.

He said that in Chile there are three categories of labor union leaders. In the first are those labor union leaders of certain enterprises who are only concerned with the labor conflicts of the enterprises and most of the time are not interested in joining any confederation or federation. The second category includes those leaders, such as Federico Mujica, Hernol Flores, and Eduardo Rios, who, despite the fact that they do not share the government's point of view, advocate a depoliticized labor union movement. In other words, these union leaders do not follow a certain political trend despite the fact that they personally identify with certain parties. And lastly, there are those labor union leaders [words indistinct] who are fully identified with the ideology and struggle of the proscribed Communist Party and who are not at all interested in the labor conflicts but are mainly interested in destabilizing the government. The minister pointed out that Mujica, Flores, and Rios are decidedly anticommunist.

PRESIDENT ACCEPTS RESIGNATION OF STATE COUNCILMAN

PY261639 Santiago Domestic Servcie in Spanish 1100 GMT 26 Jun 85

[Excerpt] President Augusto Pinochet has accepted the resignation submitted by Pedro Ibanez Ojeda as a member of the State Council. He has appointed businessman (Agustin Leidermann), the current president of the Chilean Security Association, to fill the vacant post. This information was disclosed by Justice Minister Hogo Rosende following a meeting with the president at La Moneda Palace.

DEMONSTRATIONS, ARRESTS REPORTED IN SANTIAGO

PY270255 Paris AFP in Spanish 0207 GMT 27 Jun 85

[Text] Santiago, 26 Jun (AFP) -- Four union leaders were arrested today in Santiago when the police clashed with demonstrators who were celebrating the 77th birthday anniversary of former socialist President Salvador Allende. About 50 demonstrators gathered near La Moneda presidential palace throwing red carnations and trying to put Allende's picture on an old monument. Witnesses reported that the Carabineros interrupted the demonstration, arresting Sergio Gutierrez of the Chilean Teachers Union Association, Eduardo Gutierrez of the Dental Workers Union, Luis Suarez of the Miners Union Federation, and a nonidentified peasant leader. About 300 students of the Universersity of Chile also held a demonstration near the engineering school carrying banners with the picture of Allende who governed Chile from 1970 to September 1973 when he was overthrown by a military coup. The students who also carried banners with the picture of guerrilla leader Ernesto Che Guevara are members of the Communist Socialist Parties which were proscribed by the regime of President Augusto Pinochet.

ASSOCIATION PROTESTS DISAPPEARANCE OF MEMBER

PY202202 Santiago Radio Cooperativa in Spanish 1700 GMT 20 Jun 85

[Text] The Engineers Association has voiced its concern over the disappearance of Eduardo Pizarro Arriagada, a member who cooperated with the association's branch in the Fifth Region. The official declaration issued by the association states that, according to what has been learned some 15 armed men broke into the chemical engineer's home. After wrecking the house, these armed individuals abducted Pizarro and his sister-in-law and took them to an unknown place. The communique states that the engineer's sister-in-law was released shortly afterward and that it is believed Pizarro is somewhere in Santiago. Therefore, the association requests that the authorities disclose information on his whereabouts and the organization that is holding him, and that Eduardo Pizarro Arriagada be placed at the disposal fo the courts so that it can be determined whether or not this arrest is legitimate.

SEVEN REBEL GROUPS SIGN UNITY OF ACTION ACCORD

PA250335 Bogota EL SIGLO in Spanish 20 Jun 85 pp 1, 3

[Text] Yesterday, the Army and the police were surprised by the unity of action accord signed by seven rebel movements only a few hours after the scheduled civic strike began.

The state security organizations have officially announced that a new rebel movement has been created in Colombia, the self-styled Revolutionary Workers Party [Partido Revolucionario de los Trabajadores], PRT. In order to finance its initial armed activities, the organization abducted drug trafficker Jose Vicente Baquero in Villavicencio a few months ago while he was recovering at a private clinic from his stay in the Meta Department capital prison. At the time, Baquero's relatives paid the kidnappers a large sum of money.

According to the authorities, this unity of action accord was crystallized during a meeting of leaders in Cauca Department on Tuesday evening. The unity of action was signed by the 19 April Movement, M-19; the Castro-oriented Army of National Liberation, ELN; the Popular Liberation Army, EPL; the Free Fatherland; the Quintin Lame and Ricardo Franco Fronts, the latter a dissident faction of the Revolutionary Armed Forces of Colombia [FARC]; and the PRT.

Anibal Arroyo Arias, who has been identified as a member of the PRT staff, has asserted that the organization is Marxist-Leninist. He has indicated that the new rebel movement will actively participate in the national strike, but will not engage in terrorist activities.

In addition, "Commander Danilo" of the Ricardo Franco Front has announced that the organization will move from defensive to offensive actions against the FARC, since no peace accord was reached. Commander Danilo of the Ricardo Franco Front, which operates in Cauca Department, warned: "A member of the FARC staff or the Communist Party will be shot to death or executed for every member of the Ricardo Franco Front killed."

Communique Issued

PA251417 Bogota EL TIEMPO in Spanish 20 Jun 85 p 9 A

[By Carlos Campo]

[Excerpts] Popayan, 19 Jun -- The Revolutionary Workers Party [PRT] has been proclaimed "the workers' armed wing." The new guerrilla movement formalized its organization somewhere in the western mountain range. This was announced during a press conference northwest of Popayan.

The PRT issued a communique saying that it will fight "to put an end to misery, hunger, humiliation, and the lack of genuine rights, a situation in which the people have been kept." The communique entitled "Military Force Makes an Announcement to the Southwestern People" states that "a people's military organization appears today, the PRT's military force."

Regarding the PRT activities in Cauca Department, a spokesman said: "Our organization is now new. This is basically a political force. We are newcomers to the military activities that we have recently initiated in cities and rural area with our arms in our hands."

The PRT has been described as "the workers' vanguard."

GUERRILLAS KILL, INJURE POLICEMEN IN TWO CLASHES

PA260304 Bogota Cadena Radial Super in Spanish 1730 GMT 23 Jun 85

[Excerpts] Popayan, Cauca -- The curfew and dry law have been extended indefinitely in the Piendamo and Silvia municipalities as a result of a guerrilla ambush of a national police convoy which left at least 11 dead and 11 wounded.

Meanwhile, combined police and Army troops are trying to encircle a guerrilla column, apparently commanded by Carlos Pizarro Leon Gomez, leader of the 19 April Movement, who is acting jointly with rebels of the Ricardo Franco Front of the Revolutionary Armed Forces of Colombia. Not all the injured are militarymen. Several of them are civilians who at the moment of the attack were traveling in an intercity bus, very close to the trucks in which at least 45 policemen were traveling. In the attack yesterday evening, one officer, five policemen, and four guerrillas lost their lives.

In another incident in the city of Cali, at about 2000 the previous night, a policeman was killed and another injured when unknown persons attacked an electrical substation in the Cristobal Colon neighborhood in the eastern part of the city. A spokesman for the metropolitan police headquarters has reported that policeman Rigoberto Gonzalez was killed immediately. Policeman Gerardo Narvaez Moncayo is being treated at the police clinic for bullet wounds in the right cheek and the chest. His condition is critical at this time. Our source also said that in the attack the killers took the two service revolvers used by the two policemen who were on duty.

At this time police units from both Cauca and Valle del Cauca, supported by personnel of the Army Pichincha and Rifle Battalions, are pursuing the guerrillas who attacked the policemen at Cauca.

At the same time investigations are under way in Cali to try to track down the persons who killed one policeman and left the other near death.

BRIEFS

NEW ECOPETROL CONTRACTS -- Bogota, 19 Jun -- Alfredo Carvajal, president of the Petroleum Enterprise, Ecopetrol, last night signed two new partnership agreements for the exploration and exploitation of oil in several areas of the country. Ecopetrol signed these agreements with Trend Exploration, Inc, a U.S. company, and Asamera Inc, a Canadian company. Ecopetrol has signed 11 new partnership agreements since the beginning of 1985. [Summary] [Buenos Aires LATIN in Spanish 0703 GMT 19 Jun 85 PA]

COCAINE-PROCESSING LAB -- Authorities discovered a modern laboratory for the processing of cocaine in La Guajira Department. The police found five 5-gallon drums of acetone, 12 gallons of ether, 50 kg of cocaine base, short- and long-range weapons, gasoline, hydrochloric acid, and caustic soda. No one was detained. The police burned all the materials found at the site. [Summary] [Bogota Cadena Radial Super in Spanish 1730 GMT 22 Jun 85 PA]

CITE STRIKERS BLOCK STREETS, OCCUPY SCHOOLS

Workers, Police Clash

PY261555 Lima Cadena Panamericana Television in Spanish 0300 GMT 26 Jun 85

[Excerpt] Striking Inter-sectorial Committee of State Workers [CITE] members today were involved in new violence, which included the burning of tires, the blocking of streets, and clashes with the police.

Striking picketers occupied strategic places on main avenues throughout the city, including Avenue Arequipa, Avenue 28 de Julio, Avenue (Salaberry), and the Paseo de la Republica Avenue, and proceeded to block traffic with tires and tree trunks. The police had to use water cannons to put out fires and to clear the streets to allow the movement of traffic.

In addition, members of the municipal workers federation today held a march from the 28 de Julio Avenue to the Economy Ministry building to demand a solution to their claims and a meeting with the economy and finance minister. Moreover, striking CITE members who work at the Education Ministry today occupied 12 school buildings, thus impeding normal school activities. Lima Prefect Victor Zapata has announced that drastic measures will be implemented to force the strikers out of the school buildings and that the police have ordered a permanent watch over school buildings.

Brush on School Occupations

PY261559 Lima Cadena America Television in Spanish 0330 GMT 26 Jun 85

[Text] Interior Minister Oscar Brush has announced that measures will be enforced to evict the strikers who are occupying the school buildings.

[Begin recording] These people have no right to keep children from attending school or to obstruct the normal holding of classes. I believe that the education minister is taking the necessary measures that will allow court officials and judges to proceed with the eviction of these people who have occupied school buildings, because this is a crime. We are trying to avoid violent actions, which they are trying to provoke. [end recording]

ALFONSIN TO ATTEND INAUGURATION DESPITE THREAT

PY261700 Lima Radio Del Pacifico in Spanish 1300 GMT 26 Jun 85

[Excerpt] Despite advice not to travel to Lima because of security reasons, Argentine President Raul Alfonsin will attend the Peruvian presidential inauguration ceremony to be held on 28 July.

This was disclosed by the Buenos Aires newspaper LA GAZETA DE HOY in its 24 June issue. The paper reports that Alfonsin's security service has investigated reports noting that there is fear of new terrorist attacks similar to those that occurred on 7 June. Nevertheless, President Alfonsin has decided to attend the Peruvian presidential inauguration ceremonies on 28 July because it is an excellent opportunity to hold personal meetings with Peruvian President-elect Alan Garcia and other heads of state who will attend the ceremony.

BRIEFS

AGREEMENT SIGNED WITH GDR -- Health Minister Carlos Bazan Zender yesterday signed the second part of a credit agreement with the GDR by which more than 200 hospitals and 190 health centers throughout the nation will be refurbished. The project requires an investment of more than $12 million. The health minister has stated that the agreement provides for a grace period of 2 years, and a 10-percent annual rate to be paid in 10 years. [Summary] [Lima Radio del Pacificio in Spanish 1300 GMT 11 Jun 85 PY]

BRAZILIAN CREDITS FOR DAM PROJECT -- Lima, 20 May (AFP) -- A source at the Energy and Mines Ministry reported in Lima today that Brazilian credits totaling $38.5 million will permit the completion of work on the Charcani hydroelectric power plant, which will supply an additional 135 mw to southern Peru. The project is being developed near the city of Arequipa, 1,000 km south of Lima, by a consortium made up of French, Canadian, and Brazilian enterprises. The additional Brazilian credit comes from the Brazilian Central Bank ($25 million) and Banco do Brasil ($13.5 million). The credits will be paid over a 9-year term, with a 3-year grace period. [Excerpts] [Paris AFP in Spanish 2253 GMT 20 May 85 PY]

OIL DISCOVERED -- The (Delco) Oil Company has discovered oil at a new well on the Mogollon continental shelf, off the coast of Los Organos. It is similar to well No 9 revealed by the mines and energy minister. This new well has a production capacity of between 750 and 1,000 barrels daily. The report was released yesterday by Luis del Castillo, hydrocarbons director of the Mines and Energy Ministry. Del Castillo stated that more petroleum has been found at well No 10, and that it is producing between 1,400 and 1,500 barrels daily. [Summary] [Lima Radio del Pacifico in Spanish 1300 GMT 12 Jun 85 PY]

PETROELUM PRODUCTION FIGURES -- The national petroleum production has experienced a rapid increase with an annual rate of 180,000 barrels daily, an amount which surpasses the daily production of 166,000 barrels estimated for this year, according to announcements made yesterday by the Mines and Energy Minister. He said that this increase is due to the recent discovery of petroleum in two wells drilled through by the U.S. (Delco) Oil Company on the northern zone of the continental shelf. [Excerpt] [Lima Radio del Pacifico in Spanish 1300 GMT 13 Jun 85 PY]

GENERAL RETIRES -- Lieutenant General Jose Zlatar Stambuk retired today after 30 years of service. However, he will continue holding his post as Aeronautics Minister. [Lima Cadena Panamericana Television in Spanish 0300 GMT 14 Jun 85 PY]

COCAINE SEIZED -- The Peruvian Investigative Police (PIP) on 6 May found 108 kg of cocaine base in a container with a false bottom that was mounted on a trailer that was to be shipped to Switzerland carrying, as legal contents, parquet tiles. The cache was found in the Ricardo Palma area, near Chosica. Colombian citizen Arturo Alvarez Toledo, 45, was arrested on the night of 6 May in a house located on Javier Prado Avenue San Borja District, in connection with this case. [Excerpt] [Lima EL COMERCIO in Spanish 7 May 85 p A 1 PY]

BANKS GRANT 90-DAY FOREIGN DEBT MORATORIUM

PY261544 Montevideo Radio El Espectador Network in Spanish 1000 GMT 26 Jun 85

[Excerpt] The international committee of creditor banks has approved an Uruguayan Government request to postpone for 90 days its foreign debt payment. The committee has already submitted the proper notifications to the creditor banks to confirm their approval. Once this is done, they expect that since Uruguay will achieve an agreement with the IMF, they will have no problems in granting the renegotiation of its foreign debt. The new moratorium will extend from 1 July to 28 September. According to banking sources, this moratorium will allow Uruguay to establish negotiations with the IMF in a calmer atmosphere and also to observe the results of the economic plan that will be implemented on 1 July.

UK'S THATCHER SENDS MESSAGE TO SANGUINETTI

PY262042 Montevideo Radio El Espectador Network in Spanish 1000 GMT 26 Jun 85

[Text] In a message to President Sanguinetti, Prime Minister Margaret Thatcher refers to the conclusions that leaders from developed countries arrived at during a recent summit. Margaret Thatcher thanks Sanguinetti for his letter in which he expressed his concern and that of other Latin American heads of state over this issue. In her message, Thatcher states: Mr President: Although I am familiar with the answer that the German chancellor submitted to you in representation of all those who attended the Bonn summit, I would like to add some comments of my own. In this regard she adds that during the summit it was agreed that a lasting solution to the foreign debt problem can only be achieved if all interested parties continue offering their cooperation. Therefore, we shall continue to work with debtor countries in keeping with our spirit of cooperation.

The British prime minister notes: we have to make an effort to promote the economic recovery that has begun to extend from industrial countries to developing countries, and to continue promoting the free trade system that is so important for all our countries. Thatcher notes that it was admitted in Bonn that this is not enough to help debtor countries overcome their problems. The importance of continuing to grant financial aid to developing countries was particularly noted at the time. Therefore, to aid these countries specific measures were decided upon, such as support for the role that multiannual refinancing agreements may play in certain cases. Furthermore, the leaders noted the important role that the IMF and the World Bank play in supporting the economic policy of debtor countries since in so doing they strengthen the confidence of creditors and investors. To support their efforts, it was agreed to help these institutions so that they may have the necessary resources to accomplish their task. The British prime minister sent this message to the Uruguayan president in his capacity as leader of the Cartagena Consensus.

NATIONAL DAY AGAINST DICTATORSHIP TO BE STAGED

PY262113 Paris AFP in Spanish 1503 GMT 26 Jun 85

[Text] Montevideo, 26 Jun (AFP) -- The political and social forces of Uruguay will stage a national day with slogans such as "solutions now," and "never again dictatorship." This day will also demand a number of improvements, including some regarding economic measures. There will be a rally and later a march down Montevideo's main avenue. The march will end at the downtown Cagancha (Libertad) Plaza with the reading of an allusive proclamation. Similar events will take place in 70 different locations throughout the country. This national day marks the 12th anniversary of the coup d'etat which on 27 June 1973 dissolved congress and brought the military to power.

PRESIDENT DE LA MADRID DISCUSSES EUROPEAN TOUR

PA261756 Mexico City XDHF Television Service in Spanish 0334 GMT 26 Jun 85

[Address to nation by President Miguel de la Madrid; date and place not given -- recorded]

[Text] Good evening, fellow countrymen. First of all, I wish to thank the Mexican families for this opportunity to inform them of the results of my recent trip. The news media gave ample coverage to my tour of five Western European nations. However, I wish to give you my own impressions of the trip. I visited those European countries to expand and deepen our bilateral relations with them, to stress Mexico's fundamental ideas in the area of foreign policy, and to seek greater cooperation from Europe in Mexico's efforts to improve its economic situation.

I am pleased to inform you that in every country we visited we were welcomed with great cordiality and respect. Mexico is a nation admired for its history and culture, its firm struggle for independence, its serious and hard battle against the economic crisis, and its views and suggestions in the area of international policy. This admiration was observed not only among the official sectors of these countries, but also among the various social groups with whom I had the opportunity to meet. The feeling was observed among cultural and business groups, at scientific and technological institutions, and with various political parties, but most of all it was observed among the people on the street, who expressed their feelings for our country. I was moved by their shouts of "Long live Mexico" which I heard many times while visiting European capital cities.

The countries I visited have a very positive view of Mexico. There is a marked interest in strengthening ties in various areas of bilateral relations: culture and art, science and technology, and the economy; through commerce, financing, and investment. Throughout the tour the news media -- the press, radio, and television -- carried several reports on Mexico. By so doing, Mexico was brought to the people's attention. The tone of the reports and commentaries was highly positive.

Western Europe is currently an important political and economic factor. To a great extent it has become a moderating force in international political relations. Europe is the second economic power of the world. Its advanced industrial, technological, and scientific development translates into high levels of production and productivity. Western Europe is Mexico's second largest commercial partner. Twenty percent of our foreign trade is with Europe. In the area of direct foreign investment, Europe has earned a second place in Mexico. One-quarter of all loans Mexico obtains, come from Europe. All this explains why Europe plays such an important role in our strategy of economic diversification and reciprocity.

Europe is also feeling the harmful effects of the international economic crisis. One of the main problems they face is unemployment, despite the fact that inflation is almost under control, and their economic growth shows generalized improvement. Europe is also facing a very big challenge: the restructuring and modernizing of its international market competitiveness. The Europeans believe that the way to reactivate their economy and improve the employment situation is precisely the area of foreign trade; increased foreign trade. This is why they view protectionism, which is becoming generalized throughout the world, with concern.

Europe has also been affected by the lack of stability of financial markets and exchange rates. All the European countries have had to devaluate their currency in the past 2 or 3 years, and they also feel the impact of the high interest rates.

Mexico, a country that represents Latin American positions and interests, and the EEC have many similar views regarding international and economic policy. For this reason, a dialogue on these matters could contribute to better international economic cooperation. I expressed our opinions and proposals to the EEC, requesting a more fluid communication with Latin America, especially today when Spain and Portugal, countries with which we are united by very strong historical ties, have joined the organization. I asked the EEC for better access to their markets for our products, and I also asked them to search for ways to alleviate the heavy burden of the service of the foreign debt of the Latin American countries.

During my tour of the different European capital cities, and at the EEC in Brussels, I brought to everyone's attention Mexico's interest in stabilizing the oil market. Right now the market is experiencing very strong pressures that could cause a drop in prices that some believe could be drastic. For Mexico and other countries this arbitrary drop in the price of oil could destroy a large part of our efforts. It could also unleash very serous storms in international financial markets, as was the case when the price of oil was quoted much too high. On the other hand, international trade would decrease on the part of those countries that, like Mexico, would stop receiving a significant amount of revenue.

I also brought to their attention the fact that if a reasonable stability of the oil market is not protected, we could be building another great energy crisis for the years to come. Low prices would discourage investments in the areas of exploration and production and supply would decrease, sooner or later causing a new crisis of prices and supply. No one would benefit from this situation.

Regarding general matters in the area of international policy, I discussed with the heads of state and government the positions Mexico has been promoting at international forums: struggle for peace and disarmament; peaceful and negotiated solutions to conflicts, particularly in the case of Central America -- an area in which Europe has shown special attention -- and the need to insist that morals and law prevail in relations between the states.

I also ratified Mexico's support of international organizations, specifically the United Nations and its organizations such as UNESCO, because in those forums differences can be ventilated in a civilized way and all aspects of international cooperation promoted in an organized way.

As for specific agreements, I would like to point out that in all countries we finalized appropriately coordinated negotiations promoted by Mexico via official organizations and private businessman. In this way, during my visit, we finalized 45 joint investment agreements for industrial projects involving foreign trade and tourism totaling 150 billion pesos. We also established bilateral financing totaling 166 billion pesos to support trade.

We signed cultural, technical, and educational exchange agreements. We finalized these agreements in the capitals of countries we visited; namely Spain, the UK, Belgium, the FRG, and France. In these agreements, which we had been working on for the past few months, Mexicans show that we know how to appropriately coordinate the public and private sectors within our mixed economy system.

This summarized report that I am presenting here shows that the objectives of our tour, which the honorable Permanent Commission of Congress of Union approved, were fulfilled satisfactorily. Mexico is an outstanding and respected country in the international community.

In economic terms, when its economy, infrastructure, foreign trade and so forth are analyzed, Mexico is one of the 15 leading economies in the world. Therefore, the interest shown by Europe and the United States, our main trade partner, is not gratuitous. Interest is also apparent in Japan, Latin America, and is budding in other areas of the world. I repeat, interest in strengthening economic, commercial, financial, and investment ties with our country is not gratuitous. Mexico must carefully foster relations with all countries to promote and defend national interests. Today, foreign policy is not only defensive in nature as in the past but also dynamic Mexico must be an active partner of the international community in all aspects including political, economic, and cultural issues. We are obliged to promote our country within an international community that is increasingly becoming more interdependent, thanks to improved communications.

However, there is no doubt that our main struggle is on the domestic front. Our fate depends on our actions, but I reiterate that we must foster appropriate foreign relations within a framework of respect and dignity, in view of a world that is increasingly becoming more interdependent. I believe that waiting for the solution of our problems to come from abroad and trying to isolate our country from other nations are equally bad attitudes.

Compatriots, I hope to have served Mexico in a dignified way during this tour; I hope that you think so. However, I would like to point out that although state visits are essential in creating climate of goodwill and interest in cooperation with the countries politically and publicly, the activity of all Mexicans, not just the government, will allow us to take advantage of this great climate of goodwill I encountered in Europe. Therefore, we will strive to follow up on the agreements that we finalized, to open new possibilities, and to be watchful for the evolution of these economic areas, because developments in these areas will lead to opportunities for countries such as Mexico that need to significantly increase competitiveness abroad. We will also watch all areas of the world for technological and scientific developments to modernize our production apparatus and Mexican society in general.

Compatriots, I believe Mexico cannot try to exist in a vacuum in the world; it cannot enclose itself in its own problems without having a universal vision of the great developments of modern life in all countries. This is why I urge you to continue showing solidarity, to remain united and strong, as we have been thus far, to make Mexico an increasingly independent homeland that is increasingly more free and just. Compatriots, thank you very much for your attention.

OFFICIAL COMMENTS ON ARMY'S ANTI-DRUG OPERATIONS

PA250147 Mexico City EXCELSIOR in Spanish 15 Jun 85 pp 5 A, 35 A

[By Nidia Marin]

[Excerpts] Following a working breakfast, a tour of an exhibition of materials and photographs, and a laboratory the Army seized in its anti-drug war, and after answering questions during the "Twenty Women and One Man" [television program], National Defense Secretary General Juan Arevalo Gardoqui ordered the release of some data.

Colonel Armando Nunez Cabrera, of the presidency's General Staff, was charged with reporting that from the beginning of the current administration up to 13 June the anti-drug operations have involved 20 generals, 120 chiefs, 1,225 officers and 25,000 privates in the destruction of 32,483 poppy plantations covering 5,113 hectares in 1983; 44,640 poppy plantations covering 346,980 hectares in 1984; and 10,304 poppy plantations covering 1,475 hectares so far this year.

As for the marijuana plantations, the Army destroyed 55,864 marijuana plantations covering 4,870 hectares in 1983; 55,328 plantations covering 5,142 hectares in 1984; and 69,071 plantations covering 5,230 hectares so far this year. These figures mean that to date, more marijuana plantations have been destroyed this year than in previous years. The Army now expects to reach even higher figures because the plants grow higher and, are thus, much easier to find during the second half of the year.

In addition, from 1982 to date 11,317 Mexican nationals and 48 foreigners have been arrested; 48 landing strips have been destroyed as well as 1,242,100 meters of pipe [mangueras].

Other figures given were as follows: The National Defense Secretariat has committed 25,000 men to this task at a cost of 2,637 pesos per man per day, which means that from 1982 to date almost 66 million pesos have been spent. According to Arevalo Gardoqui these costs are included in the Secretariat's normal budget expenses, and are not special expenditures. Thus the Army's budget is not affected, he said.

The secretary noted that in 9 years of anti-drug operations, 28 soldiers have died, while 22 have been seriously injured, and 24 have been slightly injured. Moreover, 57 soldiers have died, 96 have been seriously injured, and 80 have been slightly injured during the accidents related to these kinds of operations.

Mexico is faithfully complying with its commitments, and is combating drugs processed domestically, the general said. In addition, he talked about 13 special operations which are under way. Thanks to "Operation Mangosta" a large number of poppy plants have been destroyed since the plants bloom during the first month of the year; thus this is the time to destroy them.

During his interview, the national defense secretary stressed that there is close coordination with the Attorney General's Office regarding the anti-drug war under way in the States of Durango, Sonora, Baja California, Sinaloa, Chihuahua, Nayarit, Michosacan, Guerrero, Oaxaca, and Veracruz. The secretary noted that the state governments have responded favorably to the Secretariat's request for cooperation, often by providing information on areas where the drugs are planted. However, he added that there could be greater cooperation.

Asked if the military officers were involved drug trafficking operations, Arevalo Gardoqui underscored themilitary training officers received at military schools, and its work ethics. "Solid formation keeps us from becoming corrupt," he said. Then he stated that "it is not the same thing with the police corps; there the officers are hurriedly recruited and trained in anywhere from 6 weeks to 6 months; afterward these officers are put to work, and for that reason these officers lack the spirit prevailing in the Army."

He noted that the Army's range of operations in its anti-drug war extends to the mountain ranges where the drug plants are grown; "however, if the Army's coverage were extended to include highways, airports, and railroads, surely we would be able to curb drug trafficking as much as possible. We should ensure that those authorities charged with conducting these operations be up to date in order to check drugs moving by land, air, and sea."

NICARAGUA'S RAMIREZ ON CONTADORA, MEDIATION

PA251312 Panama City Televisora Nacional in Spanish 0000 GMT 25 Jun 85

[Text] Panamanian President Nicolas Ardito Barletta met this morning with Nicaraguan Vice President Sergio Ramirez Mercado at the presidency. They discussed the Contadora Group's peaceseeking efforts. Guillermo Suarez Rivas, Nicaraguan ambassador to Panama; Victor Hugo Tinoco, Nicaraguan deputy foreign minister; and others attended the meeting.

Today, during a press conference, Nicaraguan Vice President Sergio Ramirez Mercado denied Nicaragua's involvement in the attack against the Costa Rican Civil Guard on 31 May, said that Nicaragua cannot give up the quest for a negotiated solution to the Central American conflict, and accused Honduras and Costa Rica of protecting the counterrevolutionary forces and of being rearguard countries for the United States. Ramirez Mercado proposed the establishment of demilitarized zones under international supervision on Nicaragua's borders and described his discussion with President Ardito Barletta as very positive. He reaffirmed that mediation by General Manuel Antonio Noriega in the Central American conflict would be very effective.

[Begin Ramirez Mercado recording -- in progress] ...On behalf of my government, for Nicaragua believes now more than ever that the Contadora Group must play a crucial role to benefit Central American peace. We reject and discourage those voices that are proclaiming the Contadora Group's death. We believe that the Contadora Group must play a very important role to benefit peace in Central America now more than ever before. It is a Latin American group that reflects the area's independence in world events and is capable of offering a concrete solution to the problem.

We discussed ways to make the Contadora Group's efforts more dynamic with President Ardito Barletta this morning. We proposed that the Contadora Group assume a more dynamic work schedule to help neutralize the danger of an escalation of the military conflict in Central America and of direct U.S. military aggression against Nicaragua, which is what the U.S. authorities themselves have been presaging.

Despite the seriousness of the current situation, we believe that General Noriega can play a very important role in detente and in favor of understanding. We have discussed this and reviewed the general situation in Central America and in Nicaraguan in particular. [end recording]

COSTA RICA

ARAUZ TERMS EMBEZZLEMENT CHARGE 'PLOT'

PA251637 San Jose Radio Reloj in Spanish 1200 GMT 24 Jun 85

[Excerpts] Vice President Armando Arauz Aguilar said over a radio and television linkup last night that only the reserve fund for catastrophes, such as an eventual earthquake predicted by several foreign universities, was affected by the embezzlement of funds of the National Emergency Commission [CNE]. Commenting on those responsible for the embezzlement of CNE funds, Arauz said that they are trying to divert the public's attention from their criminal behavior to create a scandal in joutnalistic and political circles.

Vice President Arauz said yesterday that it would not be unusual for those disqualified for having committed serious embezzlement to have engineered a plot to tarnish the image of the government and the honor of people who, like him, have spotless records of public service. He added that the criminals fulfilled their threat of creating a scandal when they realized that we would not accept their dirty proposals.

Arauz harshly criticized certain journalists and deputies for taking advantage of the scandal and warned those responsible that they will pay for their crime.

POLICE DIRECTOR COMMENTS ON LA PENCA INCIDENT

PA252009 San Jose Radio Impacto in Spanish 1830 GMT 24 Jun 85

[Text] Colonel Oscar Vidal, general police director, has reported that the situation on the northern Costa Rican border remains calm. As for attacks reported by foreign journalists, who charged that they came from Costa Rican territory, Col Vidal said those reports are as far-fetched as all previous ones. The police director said:

[Begin recording] If we take into consideration the fact that La Penca extends deep past the Nicaraguan side of the San Juan River, and the width of the river is 160 meters at that point, it would be very difficult, almost impossible, for an attack to have originated from Costa Rican territory.

They have tried to [words indistinct] regarding the incident that ended with the deaths of two civil guardsmen [words indistinct].

I believe that an inspection of the site, the topography, would suffice to show that any activity from Costa Rica targeted against that place would have to be (?carried out) with artillery equipment or high-caliber weapons [words indistinct] that could be heard by any of our commandos in the San Juan River area. [end recording]

Vidal said: We reject that not only because we are sure there has been no attack from Costa Rican territory, (?but because) that helicopter could have been attacked from Nicaraguan territory itself.

Col Vidal added: It is logical to assume that several Sandinist People's Army [EPS] units were left behind there after having consolidated positions, could have been responsible for that attack. Later, as usual, we were blamed for the presence of counterrevolutionaries in the region. In conclusion, he said that this is what is really happening in the country's northern area, not what the international press has reported.

EL SALVADOR

PRESIDENT DUARTE HOLDS PRESS CONFERENCE

PA270122 San Salvador Radio Cadena Sonora in Spanish 1730 GMT 26 Jun 85

[Press conference by President Jose Napoleon Duarte at the Presidency in San Salvador -- live; broadcast in progress]

[Excerpts] [Moderator] Mr President, Narciso Castillo, of Venezuela's "Venevision" and Bogota's "24 Hours" will ask you a question. Mr Castillo, if you will.

[Castillo] Mr President: What progress has been made on the Zona Rosa investigation? Also, a San Salvador newspaper reported that a local sector is demanding that diplomatic relations with Nicaragua be broken. What can you tell us about this?

[Duarte] With regard to the investigation on the massacre and act of terrorism that the terrorists staged in the Zona Rosa, I can report that yesterday I met with all the technicians [tecnicos] to go over the situation and see what must further be done in investigating this case. I can give some information on the matter.

I want to show you this composite picture we had printed in the newspapers and which apparently corresponds to the face of the commander of the group that staged the action. This is the presumed terrorist chief and commander of the action. Over here we have another composite picture of another person that presumably participated in the attack. Here you can see yet another composite picture of another person. As you see, we already have three composite pictures of the presumed attackers. We will investigate them.

I want to ask the presidency minister to please have someone distribute copies of these composite pictures to the members of the press. I would like the representatives of the four Salvadoran media who are here to receive the first copies so they can... [rephrases] I believe the reporters of LA PRENSA GRAFICA and other Salvadoran newspapers are here. Then distribute them to the other people. If there are not enough copies to go around, we will be glad to get more to make them available to you. These are some of the efforts the investigation teams are making to track down the authors of this horrendous terrorist crime and massacre.

I want to say that the Salvadoran Government is preoccupied and intent on capturing the attackers as quickly as possible. I will meet with the technical teams again next week to give them time to speed up the investigation this week. This afternoon at 1500 I will meet with the attorney general of the Republic to discuss the case and speed up the investigation. This is what I can tell you about the status of the investigation. I believe I have some more information here. No? You didn't bring them? Well, those were the maps of the Zona Rosa and the placement of the cars.

I want to warn the Salvadoran people about something: When a crime like this happens, don't touch things. Don't touch the people. Don't pick up the empty shells. This hampers the investigation. For example, in this case, people picked up the empty shells and walked away with them, thus ballistic tests cannot be carried out. Also the people touched and moved the bodies, and this has made it difficult to study the technical projections. We were unable to do proper forensic analyses and conduct autopsies in proper sequences.

Our country is not accustomed to terrorism. We have not seen actions like these before. The emotional state of the people who were present at the scene of the crime obstructed the investigation.

In response to your second question: Some people have made statements about the recent developments. Some have asked that El Salvador sever diplomatic relations with Nicaragua. I believe that the difference between those who write about my government from the standpoint of the extreme right or the extreme left is that they fail to understand that my government was elected by the people by a majority vote and that the people chose the government system that I represent. Therefore, our position is firm in the sense that it will pursue peace and the solution of problems through dialogue, that it will struggle to humanize the conflict and avoid falling into the temptation or the trap that the extreme left sets when it commits vandalistic actions to make the country the scene of a witchhunt. As you have noticed today in the newspapers, the extreme right wing has also issued manifestos following the same pattern, which is that of seeking a solution through killings, murders, retaliation, revenge, and hatred. This scheme was rejected by the Salvadoran people in the elections and for this reason my government will stick to the policy it has been pursuing in this regard because this is the policy the people want.

So, dear friends, allow me to give you some figures of the poll we have taken in regard to these cases. With regard to the incident at Zona Rosa, for example, responses reflect that 89.7 percent of the Salvadoran people are indignant and repudiate it; 9 percent are afraid, and only 2.9 percent agreed with this terrorist action. This shows that the Salvadoran people are opposed to all actions involving violence.

A total of 66.9 percent of the Salvadoran people think that these actions make the chances of achieving peace more remote. However, 87 percent of the people feel that the path to peace can be found if these structures of violence are broken up.

As for news media coverage of this case, 100 percent of the people know about the incident. That is, the entire country knows about it. Secondly, the press and the radio both covered the case equally. It was 35 percent each. Television was rated with 25 percent coverage. This is the data that was learned from the poll we conducted to determine what was the position of the Salvadoran people.

I think this not only completely answers your direct question but expands a bit more so we can now talk about these other topics.

[Moderator, in progress] ...The radio stations that are retransmitting the press conference by President Duarte at the Honor Room of Government House. I now invite reporter Daniel Molina of NBC News. Reporter Molina, will you [word indistinct].

[Molina] I would like us to [word indistinct] in Spanish and then a bit of English.

[Moderator] Yes, we now invite Mark Cooper. In Spanish? In Spanish, please. Mark Cooper...

[Cooper] President Duarte, lately there has been much discussion about the paid advertisement that was published in the newspaper under the heading of "Optimization of Terror" and I have seen some clarifications [1-second break in transmission] from the Presidency and some that were not. We would like to have a clarification from you as to whether the Presidential House assumes responsibility for this paid advertisement and, secondly, if the answer is yes, if this implies that the [word indistinct] forces are at the same moral plane as the terrorist acts?

[Duarte] I can state to you that the minister of culture and information has just informed me that this publication is from the Secretariat of Information. Now then, I would like to make a clarification. This document is a transcript of a study made by Messrs Italo Lopez Vallecillo and Victor Antonio Orellana in which they make a study of the organizations to show the relationships existing among them. Therefore, this was not decided or produced by the government or the government's press office, but a transcript.

Now then, I think that it is fair to state in this specific case that I have received a letter from the Association of Solvadoran Bus Owners [AEAS], which is listed as one of the institutions that form part of the Salvadoran [Democratic] Front, FDS, in which AEAS says that it does not belong to the FDS and is therefore not part of this scheme. It behooves the government to acknowledge which groups are not involved in this scheme and which have been included in this document by its authors for reasons unkown to me.

The second part of your question deals with the attitude of some of the forces. I don't want to make generalizations because generalizations are risky. In El Salvador, actions are taken by the workers, who feel that they are entitled to express their feelings. They live in a democratic country, and they have this right. Nevertheless, they sometimes go overboard and take some tangible action.

However, this is different from the actions of some of the unions that belong to this organization and that follow the instructions given by some of the FMLN-FDR leaders to some radical leaders who are infiltrated into these unions and make the unions engage in these activities.

I do not mean to say, rather, I would like to make it clear that it is not that the workers are supporting these actions, but that infiltrated leaders are engaging in them. If you analyze all the actions that have been carried out, on which I get reports from the Labor Ministry, you will find that most are by Salvadoran Workers National Union Federation [Fenastras] or by (Fetsiaves), [expansion unknown] that is, by the associations that are controlled by the Marxist sector in our country.

[Moderator] Reporter Estella Castillo of [name indistinct].

[Castillo] Mr President, can you answer in English?

[Duarte] Gladly, but later.

[Moderator] Reporter Jose Diaz Balart of the SIN chain.

[Diaz] You said recently that the guerrillas had threatened you and other officials of your government. Bearing this in mind, and also the incident at Zona Rosa, what is the status of your policy of humanizing the conflict? That is my first question. My second question is: Do you think this type of incident will be repeated in the future?

[Duarte] In first place, with regard to the threats against me, I think all of you have read the news dispatch -- and I think that yesterday El MUNDO published a summary of it -- in which the group of five FMLN guerrilla commanders -- and by the way, look at the interesting fact that these are the five commanders only and that no mention is made of Ungo, Zamora, or any of them, who are keeping completely silent and saying nothing -- in which these five gentlemen say that it is not true, that they have not threatened me.

However, look at what they say right after that. They say: We remind him that he is the Army commander in chief, that we are at war, that our objective cannot be only its soldiers but its commanders, and that, therefore, this includes him and the entire high command. What is this called? This is called a direct threat. They put this in writing in a communique and even elaborated on it.

Look at the mentality of these gentlemen: We will wage war on them however and wherever they are, and regardless of whether they are Yankee, Nicaraguan, or Salvadoran nationals -- in other words, everyone. These gentlemen have lost their minds.

[Moderator] [Words indistinct] reporter Raul Beltran, news director of Radio Cadena YSU and representative of UPI.

[Beltran] Mr President, (?following up) on your statements, you have said that these leftist groups are engaged in an internecine struggle, are becoming weaker, and are seeking dialogue, but not for peace. In this regard, in the first place, is your government prepared to continue the dialogue with them even though some sectors of the population are asking that the dialogue not continue? Second, how is El Salvador's economy faring at the end of the first 6 months of this year?

[Duarte] Gladly. I want to answer your first question categorically: I will indeed continue the dialogue. I will continue to seek a dialogue for peace. I will indeed continue working for a sincere dialogue. I am indeed prepared to engage in a dialogue with all sectors to seek peace in the country.

Now then, one thing I am not prepared to do is to allow myself to be used as an instrument in political campaigns, as the extreme right wing is doing. Neither will I be a tool of a dialogue for war. I want the country to be clearly aware that the fundamental objective is to seek peace, to seek a humanization of the conflict -- the humanization of the conflict within a process to achieve peace. For this reason, I have told these gentlemen that we should sit and talk; that we should attempt to find solutions and rallying points to humanize the conflict, to seek peace.

However, obviously two are required for a dialogue to take place. So, if I want to seek peace, if I want to talk in these terms, they must also be seeking peace so we can find rallying points. However, if they want to seek war or to use it for propaganda purposes, I will not lend myself for that. I think I have made this clear.

I want to repeat that I am not going to listen to the siren songs of the extreme right, which is asking for a witchhunt. This is exactly what the extreme left wing is waiting for. These acts of barbarism, these massacres, and this violence are aimed at making some sectors lose their minds and go on a rampage of repression, violence, killings, and indiscriminate actions.

Imagine! These gentlemen, terrorists, have gone so far as to say they are going to hunt us and those who are helping us everywhere. Imagine what would happen if people in this country begin hunting down Ungo and Zamora, and they go to Costa Rica, Mexico, or Nicaragua to kill people. This is what is serious about this type of action. They make people lose all sense of proportion. That is why we must make the Salvadoran people and the country become aware that the solution does not lie in violence or death and that this government is prepared to struggle against actions that work against peace and the country's tranquillity.

That is why I am persecuting all those who are committing crimes, wherever they are, and that is why, in this specific case, I am hunting down those who were involved in this crime. That is why I have shown you the composite pictures.

They are for you to publish and tell the world and the Salvadoran people about this government's frame of mind, or position, of persecuting those who are committing unlawful actions. We have to bring peace and tranquillity to the Salvadoran people. I think this answers your first question.

Your second question dealt with the economy. I think that if you analyze El Salvador's economic situation and compare it with that of the other countries, not only those of Central America, but almost all Latin American countries, you will realize that El Salvador has been able to handle its affairs in accordance with the theory I have introduced and that there are countries that are already following it.

My theory is that the principle of allowing the economy to adjust itself entails the serious problem that this hurts the overwhelming majority of the Salvadoran people; that uncontrollable maladjustments suddenly arise leading to a runaway inflation spiral of truly huge dimensions.

Therefore, I have adopted a different position. I have presented a plan I call gradual streamlining [deslizamiento hacia la sinceracion]. This means a gradual streamlining of all factors of the economy. I make corrections and changes little by little. I make a change and then allow an adjustment to take place. Once the adjustment has occurred I make the following change, and so I am gradually leading the country toward a streamlined economic position. We cannot continue to close our eyes to the country's economic situation. We cannot speak of resources and riches because we are facing a difficult economic situation and we must be aware of that. We cannot squander money. Money should not be spent improperly. We must find a way to reduce spending in some areas and to use it in others that are more vital to the Salvadoran economy. Those are the reasons behind the measures we adopted during the past 1 and 1/2 months. Others will follow in keeping within that line. That is the careful strategy I am following, weighing each step, helping companies and productive sectors to reactivate their activities, as in the case of the cotton growers. We helped them as much as we could. However, international prices are very low, and they are facing credit problems and we must review this to see how we can increase the country's cotton production. Tomorrow I will meet with the economic sector to discuss this specific topic.

In the case of coffee, you have been able to observe how the government has supported that sector. In the case of the producers of basic grains, which are the majority of the poor people, they needed incentives, and we have presented them with the general plan for basic grains.

One of our main problems is the fiscal problem. The country has a very high fiscal deficit. This happened because several years ago, when unemployment grew in the private sector and factories began to close down, the government sought to assist the people and hired many workers. We did this in the time of the junta. This caused increased government spending. That, together with the two salary increases we decreed, one more than 120 colones and another 130 colones, increased the national budget by approximately 300 million colones. To this we must add the increase in military expenditures, which is high. We conclude that the real government deficit is also very high. Right now the government cannot possibly increase public spending. That is why I have proposed an austerity policy. I am currently reviewing all public expenditures with a view to ensuring institutional stability. Most public institutions are recording losses and deficits at this time. They need subsidies to continue operating. This makes matters more difficult. That is why our fiscal policy is austere. This defines my position with regard to fiscal policy.

With regard to the monetary policy, we are intent on the same effort: to streamline the economy by strengthening the institutions of the parallel market.

We are processing applications to import and make payments in dollars through the parallel market. This will enable us to gradually change many items from the 2.50 official exchange to the parallel market. This causes problems for some industries and companies. However, the country has run out of dollars to distribute to everyone and we must use the dollars that we do have on priorities. The country's priority needs are pharmaceuticals, foodstuffs, and raw materials. We are distributing foreign exchange on that basis. Also, we have opened credit lines at all banks for all national production sectors. This is our financial policy. We are seeking ways to open credit lines and analyzing interest rates and terms of payment. You have observed the opening of credit lines with favorable terms, and even reducing the interest on some debts. This has sought to alleviate the financial burden of some institutions and companies with a view to helping them survive.

In terms of the economy, the country's economy is currently growing at a rate that should reach 3 percent by the end of the year. We believe economic growth will be between 2 and 1/2 and 3 percent in 1985. This means that the economic policy that I am implementing is yielding results. All these things can only be done with the people's understanding. If you look closely, you will see that the working class understands that we are confronting a difficult economic situation and that it must help me if we are to overcome it. This cannot be done overnight. The extreme left wing knows this, and that is why it is attempting to destabilize the government by making demands that are impossible to meet. I ask the working class to help me and understand me. I am doing this to benefit the Salvadoran people and the large majority, which is the poor people.

[Moderator] Mr President, Antonio Fuentes Ibarra of Radio Cadena Libertad.

[Fuentes Ibarra] Mr President: It is said that the Contadora Group has failed in its attempts to achieve peace in Central America. Does this mean that the possibilities of attaining peace in El Salvador and the other Central American countries are nil? Also, there is a problem in El Salvador regarding the intensification of strikes, including the National Administration of Waterworks and Sewers [ANDA] and PESCA, S.A. [expansion unknown] strikes. The picket signs in front of the ANDA building carry messages demanding the removal of its president, Mr Perdomo. Are you willing to intercede to reach a final solution to this problem?

[Duarte] With regard to the Contadora Group, and I want to establish a comparison with the dialogue, I believe that we must never lose faith. We must be optimistic. However, when something happens on one level, there is a sensation of getting bogged down, and faith is lost. I believe that the 21 points of the Contadora Document of Objectives are a government platform for any democratic administration that wants to serve the people. This has been the Contadora Group's main contribution. However, in order to reach peace in Central America there must be goodwill on the part of the five Central American countries. This is where the problem lies, because Nicaragua has not shown goodwill in fulfilling the 21 points. They do not accept the process of democratization that must take place in Nicaragua. They do not accept the problem of controlling the guerrillas and the [words indistinct] that they have created in Nicaragua. They do not accept these things that are vital to Central American peace. Nonetheless, I believe the Contadora Group is good. We have tried to support it by helping make its proposals viable. We cannot say that the Contadora Group has failed only because it is now at a low point. We must help the Contadora Group find peace in Central America. It is an instrument for peace. The Salvadoran foreign minister is currently touring Central America with a view to this.

Your second question was about the ANDA problem. I am frustrated.

As you recall, ANDA was the first union I met with when I assumed the presidency. At that time we resolved the problem of the strike they were staging. They asked me to remove the director of ANDA then also. They do not want to let anyone govern. They are destabilizing the country. However, back then the president of ANDA resigned, and we replaced him. We signed an agreement whereby they committed themselves to stand by the collective bargaining agreement that they signed for at least 2 years. Six months later they began to create more problems.

[Moderator] Mr President, Rene Hurtado.

[Hurtado] During last Sunday's homily, Msgr Rivera y Damas condemned the Zona Rosa massacre and stated that the church could not be partial. He said that the extreme right's actions and those by the Armed Forces, including its indiscriminate air raids in the countryside, are also acts of terrorism. As commander in chief of the Armed Forces: What is your opinion on this?

[Duarte] I understand perfectly the position assumed by Msgr Rivera y Damas. His pastoral position as leader of the church must not be confused with the political connotations that are being attributed to his statement. The extreme right has mounted a campaign to attack Msgr Rivera y Damas and myself. Surely you have read today's papers. This campaign underscores an inconsistent position that the people rejected during the presidential elections and then again during the past elections. I will not respond to such positions. They are inconsistent, illogical, and make no sense. They only seek peace and believe that peace will be attained by imposing their ideas, a mentality of dead men. They advocate resolving the problem at gunpoint by persecuting and killing. That is not my policy, and I disagree with it. I reject outright those statements that try to give political colors to Msgr Rivera y Damas' statement, which was eminently pastoral.

Let me point out that within that pastoral position, on this occasion Msgr Rivera y Damas' statement was straightforward. He said: In our judgment and in the light of morality, the killing is undoubtedly an act of terrorism. The church was categorical in its condemnation of the killings. It defined its position on actions like those that the extreme left is committing. After he defines the church's position, he analyzed other things and these are the statements that have been used as instruments to weaken the monsignor's position. I reject the right wing's attempt to use the chruch's statement and give it political connotations. The church does not assume political stances, only moral ones.

As for the Armed Forces actions, I can say that their actions are part of the procedures aimed at preventing indiscriminate actions. The extreme left has been denouncing indiscriminate bombings. I would like them to tell me where these have taken place, what villages have been the targets of indiscriminate bombings after I issued procedural instructions to prevent them? The Armed Forces fulfill these instructions.

It is a fact that the Armed Forces are authorized to bomb certain areas, according to procedures. A commander assumes responsibility for those actions and then reports directly to me. I want to say that the extreme left is reporting things to confuse the public. I personally oversee that actions violating human dignity or causing accidents do not take place. This procedure does not apply only to the Air Force, but to the artillery, infantry, and the entire Armed Forces, including the Navy. I am also increasing control over the procedures of the security forces. Some actions can only be carried out with my authorization. I constantly make sure that improper actions are not committed.

That is my effort for the humanization of the conflict. The Armed Forces are making that effort. It is unfair that certain sectors are trying to conduct a withhunt on the Armed Forces. We will not allow it. We, the Armed Forces and its officers, believe that our policy is correct. They will not pay attention to the manifestos that are appearing in the newspapers. Those are provocations to make the Armed Forces lose its head and lead them to improper acts of revenge.

[Moderator] Mr President, Carlos Samayoa Jr, of AFP.

[Samayoa] Mr President. The questions we had planned to ask you have been virtually answered already. However, I would like to ask you about the results of the operation in Morazan. Also, may I ask why you have banned the press from that area and from the ceremony to turn over prisoners in Chalatenango.

[Duarte] The operation in Morazan was reported by the guerrillas as having been the largest operation that has been held in that area. That is absolutely false. It consisted of three battalions. However, the rebels were not expecting the operation, and they reacted by saying that the Air Force was bombing the entire area of Morazan indiscriminately. I urge them to try to fly over the entire area. They will find this impossible on account of the rains that are currently falling. I have a day-to-day report on the flights that have tried to take off to support the operation. Most of the flights were helicopter flights that transported foodstuffs and the like. The first action was transporting the troops by helicopter to drop them in northern Morazan. The details are up to the Armed Forces Press Committee [Coprefa] and to the Defense Ministry. I am aware of all the details, but I believe they should be the ones to report them.

With regard to the problems the press may have had at the ceremony to turn over prisoners in Chalatenango, I can say that I am concerned because the rebels, as was the case at El Salto, near Zacatecoluca, like to surprise the church and the International Red Cross to make a show. On that occasion they made a speech and much fanfare to turn over one prisoner.

Naturally, we are trying to prevent these things from occurring. I think you realize that we have released a number of prisoners and have not made a show of it. As it happened during the Belgian, Austrian, and Dominican cases, we have delivered prisoners with little reporting and propaganda. Anyway, it is one thing is to report and quite another to try to create exaggerated or undue publicity. I am not familiar with the specific case. I believe, however, that this invitation by a group of terrorists who have said: Look, come here, pass through the zones of conflict, risk your lives, and take some pictures because we are going to do this and that, cannot be accepted. The government also has its say. One of these days, when a person is killed or wounded, the government will be blamed for that, first of all. This is why we have to make sure these things do not happen and that these mistakes are not made. As you know, with this caution in the country... [rephrases] Nowhere in the world have national and international journalists enjoyed such freedom of action as they have had here in El Salvador at a time of conflict, even in 1981 and 1982 when it was obvious that the people came to campaign against the government. Nevertheless, we let them into the country, we supported and helped them so they could fulfill their missions. This is so because I believe firmly in the principle of freedom that naturally includes freedom of the press and information. This is what I can tell you about this.

[Reporter] Through a communique, the Presidency said that you had been directly threatened by the guerrillas. Through Radio Venceremos, however, the rebels vigorously denied that they had threatened you. They said that you are just another military target as any other in this conflict.

What can you tell us about this?

[Duarte] You do not think this is not a threat? They have said it themselves. That is to say, let me repeat what they said. They said: It is completely false that we have threatened Napoleon Duarte with death. We remind him, however, that he is commander in chief of the Army with which we are at war, and that our targets are not only his soldiers, but also his officers and, therefore, he and his high command. Is this a threat or not? This threat is obvious, clear, and categorical. They added: We will wage war on them wherever they are and however they are, whether on our soil or not. This is what they have said. Imagine what could happen in the country or out of it if I were to take a similar stance to theirs. Precisely, what I have said is that these gentlemen have been threatening everyone with death. I have been threatened more than once, several times. I have received reports from military intelligence sources about clear plans to attack me and kill me. At one time, a special commando was brought to Nicaragua. One of the members of this commando, who had been trained in Cuba [word indistinct] and wrote the note to me describing the complete plan to kill me. We all know this.

I have said, however, that I will not be frightened by their threats of death. They will not make me fall for their witchhunt, as they want. The stance we have announced will be continued. My philosophy is the philosophy of peace, not war. Therefore, threats, abductions, massacres, and all their actions will be rejected, and they will be pursued. They will never, however, make us fall into the trap of turning the country into one where retaliation, persecution, and threats against people are common practice.

This country already experienced difficult problems when relatives of some guerrilla commanders began to be threatened and some actions were taken against them. This was during the time of the junta. At the time, I protested. I made efforts so that this could come to an end. It is unfair to massacre (?people) only because they are eating in the Zona Rosa or somewhere along the avenue -- no matter where the people are, no matter if they are workers and the guerrillas decide to kill them on the boulevard on Sunday when they are having a good time with their children, or when they are working at the plants.

Such things are wrong. Those things simply have to be rejected. This is why, as you can clearly see, these gentlemen have lost all sense of propriety. The world can bear witness that they clearly said this in writing, in their own words. They said: We will wage war on them wherever they are, and the high command is also a target and must be pursued and killed. However, when we found and captured Nidia Diaz, we did not kill her. We picked her up, we carried her, we took care of her, and took her to the national police, where she has been well cared for.

This is the spirit in which I have formulated this thought. I have presented this here to tell you that it is unjust for them to kill people. I can accept that they think that violence and war is their method. This is what the Armed Forces are for. It struggles and defends the nation's sovereignty. I have no fear because we will struggle. We will defend this country and prevent it from falling for totalitarianism, but it is unjust for them to kill and persecute people on the streets, terrorize people, and plant bombs. This cannot be accepted. This is important. This attitude can only be in the minds of Marxists, who think that the protracted people's war gives them the moral right to kill, murder, and massacre. This is what Msgr Rivera y Damas said. They have no moral right to kill. This is why we must present this as a fundamental issue. The protracted people's war is immoral. It is unethical, inhuman, and goes against the people. We must be well aware of this. This is why I am the president. The Salvadoran people have told me to become president and try to solve the problem.

Upon assuming office, I became the Armed Forces commander in chief, in charge of directing the Armed Forces toward democracy.

The Armed Forces are aware of this and work with me hand in hand to establish the process of humanization, to correct past mistakes, to turn the Armed Forces members into professionals able to defend the nation.

The Salvadoran people, who are hearing me over this radio station, know full well that this is the policy of our country and this government. Of course, in additon to Radio Sonora, there is Radio Cadena YSKL, and Radio Cadena YSU in this linkup. Perhaps some other stations are also connected into this linkup, such as Radio Libertad, Radio Salvador. So we know that the Salvadoran people listen to this stance of their president. I feel responsible to explain things to the Salvadoran people.

[Moderator] Eduardo Vasquez Becquer, NCA news [not further identified].

[Vasquez] Mr President, you have just said that since 1983 your government has had information concerning plans for destabilization through labor conflicts. What has your government done during these years to prevent or avert this crisis? Likewise, are the security forces being equipped, or will they be equipped, with new and modern scientific instruments to carry out their investigations of incidents like the one which took place in the Zona Rosa?

[Duarte] First of all, I would like to tell you that there has been a change of strategy within the FMLN-FDR since 1983. The change of strategy was first mentioned by Commander [Joaquin] Villalobos. The document we captured alerted us to the plan that would be carried out. Since then, we have continued to capture additonal documents. I think no one can ignore the fact that we also captured a sizeable number of documents when we captured Nidia Diaz. Perhaps it would be appropriate...[rephrases] Captain, would you please bring all the documents, which I have in a drawer of my desk, and place them on the table, so that they may see the number of documents. These are only the political documents, not the military documents. Thus, you can see the number of documents that we have captured.

The documents outline the extreme leftists' strategy in every sector. They even have the names of persons and organizations...[rephrases] These documents even list the names of those who have to infiltrate the ANDA directorate in order to carry out their plans. This was the type of thing included in the documents, and given the situation, we took appropriate measures. What was the most appropriate measure? To tell the people about this and win them over, so that they do not fall into the trap being laid for them, so that they are not deceived like in the past, when they were led to believe that the People's Revolutionary Bloc [BPR] had nothing in common with the People's Liberation Forces [FPL], even though they were actually the same thing. The people believed that the BPR was a social structure struggling for their cause and had no links with the FPL guerrilla groups. Nevertheless, the lie was discovered when the FDL and the BPR became one group.

As you can see, these are only the political documents. These include everything, even handwritten documents, airmailed letters from other commanders. In sum, we have everything here. These are only political documents found in Nidia Diaz' backpack. Some packages of documents, three or four, are not here because we are analyzing them. For example, this is a document from the Revolutionary Party of Central American Workers [PRTC] which is currently carrying out all the urban guerrilla activities. Would you like a copy?

Well, gentlemen, I think that this will show you that our democratic policy is based on the fact that the people can act and demonstrate, but they cannot destabilize. Consequently, I have established a strategy. I said: Let us establish the difference between the law and a violation of the law; between reason and lack of reason; between the things that a social force can do to struggle for its goals and those things it cannot do. That is why I have said that any takeover threatens the stability of our country, and I will not accept any takeover in the country, because this is precisely part of the process to destabilize and deteriorate the country.

Now then, strikes are another thing, and we are not worried because someone does what the people do every day in the United States, dear friends of the U.S. news media. We are not worried because someone goes around carrying a sign saying: We want this or that, or we are on strike demanding this or that. That is normal and logical, that is part of the democratic process. However, we cannot accept any abuse or lack of respect. Consequently, I must establish the differences between one thing and the other. I think that this is the type of thing which must be done to establish order in the country and counter the great social disorder which prevailed here because anyone could do what he wanted.

I have to protect the country. For example, I cannot allow people on strike to go out and create disorder in the streets. You recall what happened during 1978 and 1979. This only leads to death and problems with the international community, and destroys the government's image and our democracy. That is what they want. Consequently, I must make sure that these people demonstrate peacefully, without violent actions in the streets. I must protect the country and make sure that these things are done according to the concept that the people and I have about a democratic process. You must bear in mind that I did not take reprisals against anyone. I did not arrest leaders or start a witchhunt as was done in the past. Instead, I warned the unions; I particularly warned the ANDA during the first meeting we held here. I met with all the union leaders and told them about the country's problems, the sacrifices they all had to make, and the contributions they had to make so the country could overcome the situation. I have done everything possible within a democratic framework and will continue to do so.

Your other question referred to the modern investigation techniques. Yes, sir, we are doing a lot in this field. I believe you all know we are setting up courses for all the security corps. We have started with the commanders, then the officers, going down to every level. We have created a special training school, not only for the investigation sector, but for the police forces in the country. I do not know if any of you went to the Treasury Police today, or if anyone has visited the Treasury Police today. You would have probably seen that a new battalion or unit was being sworn in. We are creating this in all the security corps.

Just as I created the rapid deployment battalions in 1981 such as the Atlacatl, which was the first of its kind -- this was a decision that I made, and the Atlacatl Battalion was created. I changed the Armed Forces' structure and the detachments, creating the brigades and the rapid deployment battalions under the control of the Armed Forces General Staff to carry out operations. We are doing the same with the forces that are being trained in the different security corps, precisely to better serve the citizenry at certain times -- such as during the Zona Rosa incident, when we needed to react more diligently.

We are establishing control zones in the city, and the police will have more access in certain areas. We are trying to get support and are asking for more support, because the security corps have received no international support, and we need technical support. That is why we have created a criminal investigation institute.

This afternoon I will talk with the attorney general of the Republic to make even more progress in this field by having the criminal investigation institute work with the Attorney General's Office. This will include the laboratories, coroner's office, and so on. We have thus sought to strengthen the security corps and have also gotten people to help us set up courses for detectives. We are even asking the universities to analyze the possibility of creating university degrees in criminal investigation. Therefore, we are doing all this to improve our ciminal investigation system.

[Moderator] Mr President, we thank the radio stations that have broadcast the Spanish portion of the interview. We will immediately continue with the English portion of the interview. [English portion not carried by this station]

COMMISSION FORMED TO INVESTIGATE 19 JUNE KILLINGS

PA261640 Hamburg DPA in Spanish 1536 GMT 26 Jun 85

[Text] San Salvador, 26 Jun (DPA) -- Salvadoran President Jose Napoleon Duarte established a commission a few hours ago to investigate the massacre that took place in the capital 8 days ago in which 13 people were killed by FMLN guerrillas. Six U.S. citizens, including four marines, a Guatemalan, a Chilean, and five Salvadorans died in the attack.

The Presidential House reported that this commission will be tasked with gathering evidence available on the incident to channel investigations that are currently in hands of the public prosecutor's office. This office appointed three special public prosecutors to complement proceedings initiated by the judge who was originally in charge of the case.

A publication the Salvadoran Government also disclosed via the country's television and press carried a description of the FDR-FMLN terrorist who led the murderers of 13 defenseless people who were brutally killed in a public establishment in Zona Rosa on 19 June. After listing 22 characteristics of the alleged "terrorist," the document finally states that "the government of the Republic is stepping up efforts to bring security to Salvadoran families and is asking for the help of its citizens to find these criminals. [quotation marks as received]

MINISTER REITERATES GOVERNMENT'S STAND ON TALKS

PA261926 San Salvador EL MUNDO in Spanish 24 Jun 85 p 2

[By Rene Hurtado]

[Excerpt] "No matter what happens, the dialogue proposal is maintained, as this government is determined to achieve durable peace at any cost," Culture and Communications Minister Julio Adolfo Rey Prendes told EL MUNDO when asked if the slaying of 13 persons at San Benito's Zona Rosa would stall the dialogue initiated with the FMLN-FDR guerrillas in La Palma.

Rey Prendes says that the guerrillas have never accepted the procedure of holding preliminary talks, which could be held ahywhere in the world. He stressed that these talks would be so both sides could agree on solutions regarding their different stances in order to begin the third meeting with specific proposals, which was not the case at the Ayagualo meeting. Rey Prendes said: "The rebels know that we can meet as often as they want in order to seek formulas to achieve peace in El Salvador. However, the FMLN-FDR is only interested in staging a show similar to the one at the meeting in Ayagualo, La Libertad Department."

The minister added that the government has always been willing to participate in preliminary talks for the third round of talks; however, the FMLN-FDR shows no goodwill; on the contrary, it has carried out actions such as the one in San Benito's Zona Rosa.

As has been already reported, the Revolutionary Party of Central American Workers, PRTC, member of the FMLN, has claimed responsibility for the attack, which it called "Yankee Aggressor, Another Vietnam Awaits You in El Salvador." According to the communique, "the attack annihilated U.S. advisers and CIA agents."

LEFTISTS DENY THREATENING PRESIDENT DUARTE

PA260045 San Salvador Radio Cadena YSU in Spanish 1800 GMT 25 Jun 85

[Text] The Salvadoran leftists today denied they have threatened the life of Salvadoran President Jose Napoleon Duarte. In their communique, the leftists said that it is totally false that they threatened him, but they remind him that he is the commander in chief of the Army with which the leftists are at war, and that not only the soldiers are their targets, but also their commanders.

Last Friday at the Ilopango Military Base at a special ceremony when the four bodies of the marines were being sent back to the United States, Duarte said that 1 week ago, the FDR-FMLN guerrillas sent him a letter giving him an ultimatum and threatening his life and those of his family.

The leftist guerrillas pointed out that U.S. soldiers in our country are targets of their struggle, according to the latest reports, which are being analyzed by the embassy and Salvadoran Government officials, YSU was told this afternoon.

The leftists have said that the operations carried out by their commando groups in the Zona Rosa are just actions in defense of our people and our sovereignty against the undeclared criminal war of which we are victims. The present action is only the beginning and we state that we will wage war where they are and how they are, wherever there is a Yankee aggressor or a Nicaraguan counterrevolutionary, or any other nationality who is in our territory.

The reaction of the U.S. Embassy in San Salvador has not yet been made public, while patrols have been intensified in San Salvador.

ANTICOMMUNISTS SEEK 'JUSTICE' FOR ZONA ROSA DEATHS

PA261535 San Salvador Radio Cadena YSU in Spanish 1800 GMT 25 Jun 85

[Text] The capital city may become a new battlefield if threats by both the leftists groups and the death squads come true, and if there is truth in the leftists' warning on actions of Nicaraguan contras whom they claim are in this city to struggle against the Sandinist regime through the media. The guerrillas said today in their transmissions that they are dtermined to take the war wherever necessary, with whatever means considered necessary, so there will be no peace for the Army commanders, U.S. advisers, Nicaraguan contras, and Christian Democratic officials.

Meanwhile, the Salvadoran anticommunist groups have issued a communique asking the deputies and the government to comply with the law. Otherwise, the document states, based on an evaluation of actions carried out to punish guerrilla groups operating in the capital, the anticommunists will take justice in their own hands.

This was stated in the most recent communique by the Salvadoran Anticommunist Command [CAS], which claims to be one of the armed wings of the Maximiliano Hernandez Martinez Command, one of the death squads. The document added that if justice is not made following the slayings carried out by the guerrillas in Zona Rosa approximately 1 week ago, the CAS will proceed to puruse the urban guerrillas, or anyone suspected to be linked with these groups.

400 FMLN GUERRILLAS DESTROY SAN MIGUEL FACTORY

PA261723 San Salvador Radio Cadena YSU in Spanish 1602 GMT 26 Jun 85

[Excerpts] Radio Cadena YSU listeners, our news department has made direct contact with the eastern sector of the country to bring you a special report on last night's incident in Moncagua, San Miguel Department, where FMLN guerrillas raided and destroyed another place of employment. The rebels destroyed the (Agave) factory. This factory employed approximately 1,400 persons. The factory was completely destroyed, as was the machinery.

We have contacted a civilian official in Usulutan Department [as heard] who will tell us what happened. You are on, San Miguel.

[Begin report] [Unidentified speaker] [Passage indistinct] San Miguel Department. We have firsthand information that last night, at approximately 2300, some 400 heavily armed guerrillas raided the (Agave) factory. They intimidated the people working and warned them that the building should be immediately evacuated because they were going to destroy it. They sprayed gasoline on the machinery and raw materials and set them on fire. [passage indistinct]

The rebels said they destroyed the factory because this is part of the actions being taken against (?the economy). However, this factory is owned by a cooperative, therefore this action was taken against the poor people. With the destruction of the factory 1,200 permanent workers and approximately 200 temporary workers have been left without jobs, and their families have also been affected by this action.

[YSU announcer] Could you tell us if the Army has deployed troops to the area of Moncagua? Have any casualties been reported?

[Unidentified speaker] The information we have is that the Army has deployed troops to the area, but when the rebel attack occurred there were no troops in the area. No victims have been reported because no Army troops were guarding this work center. [end report]

MORAZAN TROOPS PURSUE GUERRILLAS TO SAN MIGUEL

PA261949 San Salvador LA PRENSA GRAFICA in Spanish 23 Jun 85 pp 3, 25

[Text] All troops detached in the north of Morazan Department have been sent to similar positions in San Miguel Department, where FMLN-FDR rebel columns have fled. Military sources added that, regarding the struggle in Morazan Department, the Army fulfilled its mission to restore order in each village.

It was also reported that FMLN-FDR terrorists could return to this region any time, but the Armed Forces will pursue them in an effort to guarantee the people's lives and property threatened in the eastern region.

These troops are led by Colonel Miguel Antonio Mendez, 3d Infantry Brigade commander, and Colonel Roberto Mauricio Estaben, Arce Battalion commander, who have distinguished themselves in their duties, according to the official report.

Four thousand men of various garrisons of the country operated in Morazan, while 2,500 soldiers have been detached to the northern area of San Miguel Department. These are the main areas covered by this new operation in San Miguel Department: San Gerardo, Nuevo Eden de San Juan, San Luis de la Reina, and San Antonio del Mosco.

The military sources who reported this strategic deployment also said that in Morazan the terrorist groups sustained numerous casualties and performed poorly, apparently worn down by the hard blows dealt them by the troops commanded by Colonels Mendez and Estaben.

STUDENTS DETAINED, SECURITY MEASURES INCREASED

PA262351 San Salvador Radio Cadena YSU in Spanish 1800 GMT 24 Jun 85

[Text] Members of the General Association of Salvadoran University Students, AGEUS, have reported that at least seven students have been detained since Friday. It has also been reported that most of the students have been detailed by plainclothesmen who intercepted them while leaving the campus. Their whereabouts are thus far (?unknown). The missing students include sociolocy students Paulino Aguilar and Oscar Chavez, as well as law student Raul Antonio Martinez. The members of AGEUS have charged that the police have taken to detaining students instead of arresting drug traffickers and addicts.

Civilian sources indicate that the national police have continued to patrol San Salvador streets. Daily patrols by the police to some extent represent safety for pedestrians because such patrolling prevents armed assaults. During the past few days, the military has stepped up security measures with the participation of Army and police members in order to counter rebel actions in San Salvador. In addition, the Army has maintained strict vigilance in the outskirts of the capital, where guerrillas generally destroy pylons.

Civilian sources indicate everything is normal along interdepartmental highways. In the past few days, FMLN leftists as usual showed up along these roads, particularly on the Coastal, Pan American, and Northern Trunk Highways. Several drivers have reported that the army has detached counterinsurgency members to the main streets in order to repel any guerrilla attacks on vehicles. Meanwhile, FMLN guerrillas have reported through Radio Venceremos that they will attack army posts along highways.

Civilian sources have also indicated that the counterinsurgency battalions participating in the military operation in the country's east have begun to return to their bases and that yesterday several brigades detached to the north of the San Miguel, Morazan, and La Union Departments returned to their military bases after heavy clashes the previous day with FMLN guerrillas who operate in this region. Meanwhile, several armored personnel carriers of the Manuel Jose Arce Rapid Deployment Battalion returned to their station in San Miguel.

In addition, sources at the east terminal in San Salvador have reported that bus traffic to the eastern area is normal and that northbound traffic on the Northern Trunk Highway has encountered no difficulties. East terminal spokesmen have said that traffic to El Salvador's west and Usulutan also is normal. Some drivers have said that a new traffic stoppage has been rumored. The rebels, however, have not made any announcement so far on this.

Military sources said today that the Army will continue to maintain vigilance in the cotton-growing areas of the Usulutan and San Miguel Departments. The sources added that in the past few days, groups of guerrillas have taken to destroying tractors, mainly in Jiquilisco, to frighten farmers. Cotton planting, however, has already been initiated in some farms under the protection of the Armed Forces, who will prevent the leftists from carrying out actions against the national economy. Spokesmen have said that fertilizers are available to be distributed to members of the Salvadoran Cotton-Growers Cooperative [Cooperativa Algodonera Salvadorena].

VENCEREMOS SAYS MARINES' EXECUTION JUSTIFIED

PA261500 (Clandestine) Radio Venceremos in Spanish to El Salvador 0200 GMT 24 Jun 85

[Text] The first U.S. marines have begun to die on Salvadoran soil. The Yankee intervention in our homeland has produced the first deaths. The U.S. marines executed in San Salvador's Zona Rosa were not innocent. No Yankee invader is free of guilt in the implementation of the U.S. Administration's genocidal policy in El Salvador. No Yankee invader is innocent in the wake of the hundreds of peasants killed indiscriminately in the Salvadoran countryside, as a result of the genocidal bombing with U.S. planes and bombs dropped by the criminal pilots trained and directed by U.S. advisers. The Yankee invaders have begun to die on Salvadoran soil, reaping the fruits of their interventionist and genocidal policy.

The U.S. imperialists should understand that the more they increase their intervention, the more marines will die. We do not care if Ronald Reagan plans to increase the military aid with more bombs, helicopters, and dollars. We will down more helicopters, we will demolish the puppet dictatorship's war economy, and we will tear the U.S. dollars to pieces. If they dare send more U.S. marines here, we are prepared to kill them. The greater the imperialist intervention, the more aggressive and firm we will be in fighting against them. It should be clear to them that the greater the Yankee intervention, the greater the number of U.S. marines who will die. No one should expect that the cost of this war should be assumed only by the humble Salvadoran peasants who are subjected to criminal bombings. The war should not only affect the poor, it should also reach the gardens of the oligarchs' mansions. It should also reach the dorms of the commanders of the puppet Army. It should also reach the genocidal pilots, who sow tears and terror for the peasant families from the air. These criminals will have to face war wherever they may be. No inch of the Salvadoran territory will be safe for the Yankee invaders, or for their puppets. The imperialism has fomented this policy of war and intervention, and its fruits will reach all corners of our country. There cannot be places where the Yankee invaders, the genocidal commanders, can eat and drink unconcerned, while in the battlefields and in the lines of fire Salvadoran soldiers die for a cause that is not theirs.

The current level of war is the result of years of exploitation, of repression, of subjecting the great majorities to hunger and ignorance. The current level of war is the result of the infamous murder of more than 50,000 Salvadorans. It is the result of crimes unleashed by the death squads, of the thousands of captured, missing, tortured persons in clandestine jails. It is evident that this confrontation is the direct result of U.S. intervention in our homeland, and of the miserable surrender of our sovereignty by the lackeys now in power. These lackeys at the Legislative Assembly observed a minute of silence for the executed marines who were invaders. These lackeys shed servile tears. These lackeys are the same ones who showed a silent complicity in the face of the rape and murder of four U.S. nuns by the members of National Guard who were then under the command of General Vides Casanova.

These lackeys, are the same ones who can only spare a few seconds for the mothers of political prisoners and missing persons, or for the urgent needs of the workers. However, upon the death of a few Yankees, they run to weep and kneel before those who have planned, financed, and directed the genocidal war against the working people. All these lackeys of imperialism are accomplices in the war against the people unleashed by U.S. intervention. Those who blamed the workers for the military raid against the Social Security Hospital are accomplices in intervention, as well as those who said nothing to condemn the raid on the offices of the Human Rights Commission and of the Committee of Mothers. Those who remain silent in face of the 50,000 people killed by the puppet regime, of the hundreds of missing persons, of the POW's who are mistreated and reported missing, are therefore endorsing crime and repression and are also accomplices. These lackeys, accomplices in the U.S. interventionist policy, are the ones who have readily cried over the death of the invaders. The truth is that they do have a reason to cry, because they are breast-fed by imperialism; because they are part of the policy of intervention and death; because they are servants of the Yankees; because they agree with the policy of state terrorism, which has their patronage and blessing. They have a right to cry, but they have no right to complain about anything.

The greater the U.S. intervention in our homeland, the higher the number of invading marines who will die. This is the direct result of the U.S. interventionist policy. We, Salvadorans, will honorably fulfill our duty to crush them in the name of our homeland's sovereignty, of our definitive independence, and of the revolution!

GUATEMALA

ARMY DISMANTLES GUERRILLA CAMPS IN PETEN

PA262017 Guatemala City EL GRAFICO in Spanish 23 Jun 85 pp 2, 16

[Text] Four guerrilla camps were dismantled by Army patrols in the western part of Peten Department as part of an intense counterinsurgency operation. In none of these actions were there armed clashes, nor were any extremists arrested, according to a report released today by the Army Information and Press Department.

The report says that the military units took the guerrillas by surprise, but they managed to escape, leaving behind all their belongings.

Among the material seized by the military units are surgical instruments, various types of arms, medicine, foodstuffs, basic grains, backpacks, and also important documents containing information on actions they were planning to carry out.

The report also says that counterinsurgency operations are also being carried out in San Marcos Department, in the southwestern part of the country, aimed at dismantling the operations that the extremists of the Revolutionary Organization of the People in Arms, ORPA, are planning to carry out.

Finally, the Army Information and Press Department reported that a military commissioner was slain by a group of rebels who broke into his home in El Arisco neighborhood, Tiquisate, Escuintal Department.

The military commissioner was identified as Adan Herrera. The report also says that the rebels distributed propaganda with the initials of a clandestine faction, but the name was not disclosed.

NICARAGUA

ORTEGA INVITES OAS COMMISSION TO BORDER AREA

PA261317 Managua Radio Sandino Network in Spanish 1200 GMT 26 Jun 85

[Letter from President Daniel Ortega Saavedra to Rafael Garcia Velasco, president of the OAS Permanent Council]

[Text] Your Excellency, Mr Ambassador Rafael Garcia Velasco, president of the OAS Permanent Council, Mr President:

The Nicaraguan Government, concerned over the current situation on our border with Costa Rica, would like the OAS commission, established by order of the Permanent Council on 7 June, to obtain full information on the current situation in that border area to help identify the real causes of tension and to effectively solve the problem.

To accomplish this, the Nicaraguan Government formally invites the OAS commission to carry out an in situ inspection in the Nicaraguan side of the border area where the regrettable incident took place on 31 May. By doing this, the commission will confirm that the origin of tension between the two countries is the mercenary forces' use of Costa Rican territory.

Based on already presented documents and others to be issued Nicaragua will formally ask the commission to travel to Costa Rica again to investigate the presence of mercenary forces and groups in Costa Rica that are again continuously carrying out attacks and criminal actions against the Nicaraguan people and territory.

Nicaragua believes that this visit will produce missing elements that will enable the commission to issue an objective decision and contribute to regional peace.

The very delicate situation prevailing in the Central American region calls on this commission to study all necessary factors to prevent it from making a partial decision. Otherwise, sectors advocating the generalization of the regional conflict and foreign military intervention would be favored.

I take this opportunity to convey to you my highest consideration.

[Signed] Daniel Ortega Saavedra, president of the Republic

Managua, 25 June

ORTEGA PROPOSES NEUTRAL BORDER ZONE TO MONGE

PA270128 Managua Radio Sandino Network in Spanish 0000 GMT 27 Jun 85

[Letter sent by President Daniel Ortega Saavedra to Costa Rican President Luis Alberto Monge; dated Managua, 26 June]

[Text] Your Excellency, Mr Luis Alberto Monge, President of the Republic, San Jose, Costa Rica:

I address you in reference to the deplorable situation on our common border with the intention of finding joint formulas allowing us to overcome in a definite and beneficial way for our two countries a situation which, in addition to having a negative bearing on our bilateral relations, is being used by the U.S. Government as a pretext for a new stepped up aggression against Nicaragua.

Our country has insistently pointed out that the direct cause for tensions between Costa Rica and Nicaragua is the presence of mercenary forces on Costa Rican territory, particularly in the San Juan River zone. The presence of these mercenary forces has been used by the U.S. Government to provoke friction and artificial incidents which do not respond to the willingness of our peoples and governments to achieve peace, and which are aimed at separating two nations that have historically been united in brotherhood.

Exerting a new effort to attain an effective and durable solution to the problem, the Nicaraguan Government stated on 3 June its willingness to establish a demilitarized or neutral zone between our two countries, under international supervision.

You are aware that Costa Rican and Nicaraguan delegates met last year in Paris, under the auspices of the French Government, to advance toward the definition and establishment of that zone. Nicaragua considers that it would prove opportune and necessary for our two governments to again embark on that task, which would benefit regional peace, offer security to our countries, and allow us to restore understanding and peace between Costa Rica and Nicaragua.

The establishment of this demilitarized or neutral zone would also allow us to restore normalcy in border areas, which have been affected by mercenary actions, thus enabling the people living in those sectors to return to their peaceful and productive activities. It would likewise allow us to restore normalcy to the San Juan River, where navigation has been seriously impaired by the mercenary actions.

These coordinated actions between Costa Rica and Nicaragua -- within a framework of cooperation, understanding, and mutual aid which allows us to eradicate the presence of mercenary forces and bands -- will represent a highly significant step to strengthen the efforts for a peaceful solution to the Central American crisis, within the framework of international law.

The Nicaraguan Government has the firm conviction that this type of joint action will have an immediate positive effect on the relations between Costa Rica and Nicaragua because it would eliminate the cause for tensions between the two states. Within this same spirit and the search for peaceful and adequate solutions to the conflicts in the region, Nicaragua offers all its cooperation and necessary coordination to overpower and disarm the mercenary forces located in the border area.

Nicaragua reasserted its full willingness to attain a definite solution to the border situation and will exert every possible effort in the search for an adequate and satisfactory coexistence which allows us to restore peace and recover the trust that must exist between Central American nations.

Within this spirit, and in case this proposal to establish a neutral zone is not considered viable by Costa Rica, I wish to state that my government has decided to unilaterally establish a neutral zone under international supervision on Nicaraguan territory, along the border with Costa Rica, in order to prevent provocations and situations that may be used to justify aggressive actions against Nicaragua or to create artificial tension between our two states.

I hope that this initiative is positively accepted by your government.

Yours truly,

Daniel Ortega Saavedra

RUIZ TO DENOUNCE U.S. EMBARGO BEFORE CEMA

PA261908 Managua Radio Sandino Network in Spanish 1300 GMT 23 Jun 85

[Text] Commander Henry Ruiz, foreign cooperation minister, left today for Warsaw to attend the 40th session of the Council for Mutual Economic Assistance, CEMA. Commander Ruiz reported that Nicaragua is attending this meeting as a special observer and that he will avail himself of the opportunity to report on Nicaragua's situation as a result of the U.S. economic embargo.

Commander Ruiz, who is the CEMA chairman in Nicaragua, is accompanied by Roberto Gutierrez, vice president of the Central Bank, and Isabel Arguello, a CEMA director in Nicaragua. Prior to departure, Commander Ruiz said:

[Begin recording] [Ruiz] There will be several observers at this meeting, and Nicaragua is a special observer. At this meeting the delegates will discuss their situations, and general problems will be analyzed, as will development plans and outlooks. In our specific case, it will serve for us to present our economic situation and the needs we have right now, such as raw materials. We will use this meeting to discuss another problem we have, which is the embargo and its consequences, such as financial problems, the rising costs of our market; in other words, another element that worsens our national economy.

[Reporter] Commander, is this the first time Nicaragua has denounced the embargo before CEMA?

[Ruiz] This is the third time we have attended such a meeting. The first time was in Berlin 2 years ago, then last year in Cuba, and this time in Warsaw. These meetings are held annually in the capital city of a CEMA member country, according to the Russian alphabetical order. This year the meeting is being held in Warsaw. This is the third time we will be attending a CEMA meeting. This is not a routine thing for us, but it is formalizaing our relations with the CEMA market.

The Nicaraguan revolution's problems do not begin with the embargo. The embargo is merely ths last straw of the Yankees. In market matters, we have been blockaded. We have made references to other types of blockades. For example, here we normally speak of credits from the IDB, of the World Bank, and so forth, of the attitude of the international banking sector, to whom, by the way, we have been making some important payments on the old debt. This is only to explain what I am saying, that the embargo began earlier. We estimate that Nicaragua has not been able to collect between $500 to $600 million due to the political pressures that have been exerted. In other words, Nicaragua has made financial requests to capitalist financing organizations, to which it has a right because it has fulfilled its commitments, but we were not given this $500 to $600 million. [end recording]

SOCIALIST INTERNATIONAL GROUP TO VISIT MANAGUA

PA251930 Managua Radio Sandino Network in Spanish 1300 GMT 23 Jun 85

[Text] Commander Bayardo Arce, coordinator of the FSLN Political Commission, returned yesterday from Stockholm, Sweden.

There he participated in a meeting of the Socialist International Bureau, a delegation of which will visit Nicaragua in the next few months to learn more about the conflict in the area, Arce announced. Commander Arce said that other positive results were obtained at the meeting, such as the condemnation by the countries participating in the meeting of the trade embargo imposed by the United States on Nicaragua. Arce said in this respect:

[Begin recording] We feel that we made a qualitative advance at this meeting of the bureau in the [words indistinct]. The Socialist International has had a series of [word indistinct] Nicaragua because, after analyzing the reports submitted to the Bureau by the Latin American Committee and (Tolvarez Thorsenberg), who is in charge of the follow-up on the situation in Nicaragua, a very fine discussion was held.

This discussion yielded some results that we think will be positive. First of all, a commission will come to Nicaragua in answer to our invitation, which was welcomed with a resolution, to discuss problems in the Central American area more thoroughly. The commission will then go to the United States to discuss these matters more deeply with the U.S. Government and Congress so as to effectively contribute to a peaceful settlement in the region.

They will work with a view to implementing the Contadora Group's initiative through tangible action toward a solution in the region. More particularly, they have said that the Contadora Group should concern itself with establishing international supervision at the Nicaraguan borders to keep them from being used, as is currently being done, for counterrevolutionary activities and to avert tension among the countries in the area.

Other proposals deal with the advisability of [words indistinct] Nicarguan revolution and, as we noted before, solidarity with our country was generally reiterated regarding the embargo and other forms of aggression.

Of course, in addition to attending the meeting, we had the opportunity to talk with Socialist International President Willy Brandt about the promotion of the campaign "Nicaragua Must Survive" by the group's presidency. He has offered to support it, through parties within the organization, to give impetus to the campaign [words indistinct]. [end recording]

OFFICIAL ANNOUNCES AGRARIAN REFORM PLANS

PA251336 Managua BARRICADA in Spanish 22 Jun 85 p 5

[Text] Using a new system for issuing land titles, agrarian reform will benefit a large portion of the peasant population, particularly those relocated due to the aggression, those joining agrarian reform and agrarian development projects and plans, and those affected by the territorial reorganization of the population.

"Agrarian reform titles will be given for the first time to individuals living in settlements. This is a way of returning the land to peasants who were relocated due to the war of aggression," said Julio Francisco Baez, director general of agrarian reform, during an exclusive interview with BARRICADA.

The reorganization of goals stated in the plan for changing the land-owning structures, as part of the sixth anniversary plans for 1985, establishes the issuing of land titles for 644,918 manzanas, which will benefit 23,526 peasant families. The land will be issued to production cooperatives, individuals, Indian communities, and under special circumstances.

In reply to the aggression and economic embargo imposed by U.S. imperialism and given the revolution's current situation, the land advocates better orientation for each peasant and increasing the goal of 10,500 manzanas established in January 1985 to 62.611 manzanas of land. This will benefit 3,616 families.

The process of issuing land titles for 36,718 manzanas of land will include peasants living in agrarian reform settlements. These rights will be granted through agrarian reform titles with rights that can be transferred through any legal means once the Ministry of Agricultural- Livestock Development and Agrarian Reform [Midinra] has issued the necessary approval.

The new system will also benefit 1,800 families with 7,000 manzanas of land located in critical areas where small landowners are largely concentrated.

Baez explained that last year 70 percent of the land was turned over to peasant cooperatives concentrated in the Pacific coast area. He pointed out that this year 70 percent of the 164,307 manzanas goal for the production cooperatives will be distributed in the central area of the country, particularly Regions 1, 5, and 6.

In addition, he explained that agrarian reform will continue to recognize the Atlantic coast families land-owning rights, which have been historically defended. Plans for the Indian communities include the 70,000-manzana goal, which will benefit more than 3,000 families.

The special land title category will issue agrarian reform land titles to more than 5,000 families settled under the extinct INA (former Nicaraguan Agrarian Institute); land titles for 76,000 manzanas will be issued for peasant families living on government or common land.

Another characteristic of the plan drafted in honor of the revolution's sixth anniversary is actions for rationalizing and organizing land in agrarian reform enterprises.

Baez said that this implies a greater administrative efficiency, organization, and territorial distribution by the enterprises. Some of these include over 200 km of land for a State Production Unit [UPE].

The peasants cooperative movement emerged with the revolution, which has turned over more than 1 million manzanas to the peasants. This represents a greater amount of land than that owned by the government. Baez recalled that the 698 manzanas in land titles issued in Masaya earlier in the plan was land owned exclusively by the state. He also recognized the attitude adopted by patriotic businessmen in the zone concerning peasants who were relocated; they decided to negotiate more than 20,000 manzanas of land, which will be issued through land titles in the next few days.

More than 200,000 manzanas of land will be turned over to 7,000 peasant families through a special program that will be carried out prior to 19 June in all of the country's regions and special zones. Baez announced that large peasant concentrations will also commemorate 16 July, National Agrarian Reform Day.

The main event for Region 3 is scheduled for 13 July in Tipitapa municipality. Agrarian reform land titles will be issued to 441 families -- an equivalent of 10,000 manzanas for a total of 31 cooperatives. The Managua plan comprises Ticuantepe, Managua, San Rafael del Sur, Villa Carlos Fonseca, San Francisco Libre, and Tipitapa.

SANDINIST ARMY REPORTS 25 CONTRA CASUALTIES

PA261846 Managua Radio Sandino Network in Spanish 1200 GMT 25 Jun 85

[News bulletin issued by the Directorate of Public and Foreign Relations of the Defense Ministry in Managua; no date given]

[Text] Two task force leaders known as Leoncillo and Caliman, the latter leads the Mercedes Umana Task Force, are among the 25 casualties inflicted by the Sandinist People's Army on the Somozist mercenaries in clashes on 22-23 June.

In a clash on 22 June north of San Jose de Bocay, 10 enemy fighters were killed by our troops. The next day our troops inflicted 15 casualties on the mercenary forces in clashes south of San Jose de Bocay.

On that same day, in their terrorist activities against the civilian population, the counterrevolutionaries attacked an ambulance of the hospital located in the western district of Siuna. The driver of the ambulance was murdered by the Somozist mercenaries.

BRIEFS

ROMANIAN DONATION ARRIVES -- A shipment of 200 units of different articles, 3,000 tons of corn, and 394 cases of foodstuffs, medicine, and automotive spare parts has arrived in the port of Corinto as a donation from the Romanian Government. [Summary] [Managua Sistema Sandinista Television Network in Spanish 0200 GMT 20 Jun 85 PA]

FRG AID ANNOUNCED -- The FRG's Help for Self-Help Foundation [Fundacion Ayuda para la Auto-Ayuda] announced today that it will finance a plan for approximately $70,000 in aid for Nicaragua in view of the trade embargo declared by the United States. These funds will be used for the purchase of medicine and for sanitation projects that the Sandinist government will undertake in Region 5. [Summary] [Managua Radio Sandino in Spanish 1750 GMT 4 Jun 85 PA]

RAUL CASTRO MESSAGE ON CAMBODIAN ARMY DAY

BK230916 Phnom Penh Domestic Service in Cambodian 1200 GMT 21 Jun 85

[Text] On the occasion of the 34th anniversary of the Kampuchean People's Revolutionary Armed Forces, [KPRAF], Comrade General Raul Castro Ruz, defense minister of the Republic of Cuba, sent a greetings message to Comrade Bou Thang, People's Republic of Kampuchea defense minister. The message reads:

We would like to express the greeting of the combatants of the Revolutionary Armed Forces of the Republic of Cuba to all the combatants of the KPRAF. On the occasion of this anniversary, may the People's Armed Forces score great successes in heightening their defensive and offensive skills. May you, comrade minister, achieve victory in fulfilling your high responsibilities and enjoy the best of health and happiness.

DELEGATION CONCLUDES OFFICIAL VISIT TO POLAND

FL151935 Havana Domestic Service in Spanish 1810 GMT 15 Jun 85

[Text] A delegation from the Communist Party of Cuba concluded a visit to Poland today. The purpose of the visit was to strengthen the bonds between Cuba and the Polish United Workers' Party [PZPR]. Humberto Rodriguez Manso, chief of the People's Opinion Section of the Central Committee, led the Cuban delegation and was received by Jan Glowczyk, member of the PZPR Secretariat.

CARLOS RAFAEL RODRIGUEZ MEETS WITH JARUZELSKI

FL261300 Havana Domestic Service in Spanish 1045 GMT 26 Jun 85

[Text] Carlos Rafael Rodriguez, Politburo member and vice president of the Councils of State and Ministers, was received by Poland's head of state. During the meeting, Carlos Rafael Rodriguez conveyed to Army General Wojciech Jaruzelski a personal message from Commander in Chief Fidel Castro. Carlos Rafael is heading the Cuban delegation attending the Warsaw 40th CEMA session, presided over by Jaruzelski.

5-YEAR MEDICAL AGREEMENT SIGNED WITH USSR

FL260159 Havana Domestic Service in Spanish 1808 GMT 25 Jun 85

[Report by Delia Rodriguez Garcia]

[Text] A cooperation agreement between Cuba's Frank Pais Hospital and Moscow's Orthopedic Institute has been signed in Havana by Professors (Mikhail Aleksandrovich Belglesov) and (Vadim Kladimorovich Asolof) and Dr Rodrigo Alvarez Cambra. The document provides for Soviet cooperation in the development of microsurgery, the intradiscal use of papain [words indistinct], and trauma treatment as a result of auto accidents.

Cuba is providing the USSR with the study on necrosis of the hip in children, bone transplants, and the use of prostheses such as knees, elbows, shoulders, hips and ankles.

The 5-year agreement will become effective in December and will benefit the development of orthopedics and traumatology in both Cuba and the USSR.

ALTERNATE POLITBURO MEMBER ARRIVES IN MADAGASCAR

FL250026 Havana Domestic Service in Spanish 2300 GMT 24 Jun 85

[Text] Armando Acosta Cordero, alternate Politburo member and national coordinator of the Committee for the Defense of the Revolution, has arrived in Antananarivo, capital of Madagascar, to participate in the festivities to mark the 21st anniversary of the Malagasy revolution.

TALKS WITH SPANISH COMMERCE CHAMBER CONCLUDE

FL181201 Havana Television Service in Spanish 0000 GMT 18 Jun 85

[Text] The results of the talks between the delegations of the Cuban Chamber of Commerce and the Chamber of Commerce and Industry of Zaragoza, Spain, have been described described as satisfactory. Upon conclusion of these talks a final document was signed. Both sides agreed to conduct market researches in their respective countries in order to increase trade. The Zaragoza chamber expressed its willingness to advise the Cuban organization in connection with the establishment of an international fair grounds. In accordance with the agreements reached by the two chambers, the Zaragoza organization agreed to support these plans and the success of the goals proposed.

CEMA BRAIN RESEARCH ORGANIZATION MEETS IN HAVANA

FL251338 Havana Domestic Service in Spanish 1000 GMT 25 Jun 85

[Text] Since Monday, over 100 professionals have been participating in two important meetings related to neurological sciences in Havana. The conferences, which will be held until Friday, are the "First Scientific Drive of Basic Brain Research Institute" and the "First National Meeting of the CEMA Brain Research Program." The meetings were organized to commemorate the 20th anniversary of the basic brain research. The organization, which was founded in the 1960's, was the first one in Latin America to study the superior nervous system activities from the physical viewpoint.

TWO STRIKERS REPORTED KILLED BY JAMAICAN POLICE

FL261505 Havana Domestic Service in Spanish 1045 GMT 26 Jun 85

[Text] A Jamaican report indicates that police have killed two strikers in Kingston. At present, the first general strike in 47 years is taking place. So far, the strike has resulted in two workers shot and killed by the police, a fire, and the paralyzation of all activities. Jamaica's essential services have been disrupted by the asking for an 80-percent salary increase to deal with high cost of living.

COSTA RICAN OFFICIAL ACCUSED OF EMBEZZLEMENT

PA220034 Havana International Service in Spanish 1800 GMT 21 Jun 85

[Text] A grave political scandal was unleashed in Costa Rica when an embezzlement of approximately $2 million was discovered in Vice President Armando Arauz' offices.

The Treasury Police have revealed that the embezzlement mainly affected the funds of the National Emergency Commission, an organization which is neaded by Arauz and was created to handle the government's financial resources that are not controlled by the public administration law. After admitting that there had been some administrative mistakes and tolerance concerning the handling of the emergency funds, the Costa Rican vice president tried to evade his responsibility in the matter, saying that the police investigation is being carried out on his initiative.

Nevertheless, police agents have revealed that the executive branch has given them serious problems during the investigation. It was revealed that the embezzlement discovered at the National Emergency Fund included the purchase of properties from dummy corporations and financing of the trip President Luis Alberto Monge made to Europe last year. The opposition Social Christian Unity Party has demanded the dismissal of Vice President Armando Arauz, and Legislative Assembly President Vargas [title as heard] said that the vice president should resign because one cannot be judge and defendant in this kind of investigation.

COSTA RICA CONCERNED OVER CONTADORA 'STALEMATE'

PA251753 Havana International Service in Spanish 1600 GMT 23 Jun 85

[Report by Rafael Ugalde, PRELA correspondent in San Jose, Costa Rica -- recorded]

[Text] Costa Rica has voiced its support for the Contadora Group's peace efforts, and noted its concern over the current stalemate the regional entity is experiencing. However, that country did not rule out appealing to so-called friendly nations to solve border disputes.

Costa Rican Foreign Minister Carlos Jose Gutierrez said that the recent suspension of the Contadora Group meeting in Panama placed peace in Central America at a critical crossroad. Costa Rican Deputy Foreign Minister Jorge Urbina Ortega expressed a similar view stating that after 2 and 1/2 years of the Contadora Group, it is currently undergoing one of its most critical moments.

Simultaneously, Costa Rican President Luis Alberto Monge Alvarez reiterated that he is prepared to appeal to so-called friendly nations if he is not satisfied with an expected OAS resolution. The OAS appointed a commission to investigate a confusing armed incident that took place in the area called Las Crucitas located over 250 km from San Jose. During this incident two Costa Rican civil guardsmen were killed and eight were injured.

Officially the Governments of the United States, Taiwan, South Korea, Honduras, and El Salvador are labeled as friendly nations. The latter two countries and Costa Rica have formed a common front at the Contadora Group meetings.

The chief concern is that Monge's warning may lead to a more radical decision ending with even greater U.S. military occupation along the border with Nicaragua. The U.S. Government is keeping a Green Beret contingent at the El Murcielago farm, which is located near the border with Nicaragua, under the pretext that these officers are training civil guardsmen. It was learned from independent circles that the arrival of advisers is part of the massive military assistance that the Ronald Reagan administration is going to send to Costa Rica.

COMMENTARY SEES PARLIAMENT DECISIONS AS 'WARNING'

PA212347 Havana International Service in Spanish 2310 GMT 20 Jun 85

["Our America" commentary]

[Text] Cuba's admittance to the Latin American Parliament, approved by an overwhelming majority of votes during the 11th regular meeting of that organization, which ended in Brasilia last Thursday, confirms that there is a new correlation of forces in our America, and that represents a serious setback for the imperialist policy aimed at dividing our peoples.

Flavio Bravo, president of the National Assembly of the People's Government, who was given an ovation by the deputies present at this historical assembly, reiterated Cuba's intention to work with the other countries, including those that voted against its entry, in defending Bolivar's and Marti's high ideals of unity, independence, progress, and sovereignty for our countries. He added: Cuba did not come to Brasilia to talk about the unobjectionable achievements of its revolution or to impose on anyone the advantage of its social system, but to cooperate in the unification of Latin America and the Caribbean region at a dramatic time, when a solid alliance, without political barriers, is necessary. Flavio Bravo's words, supported by the accomplishments of the Cuban revolution in its 26 years of existence, merely reflect the political determination of the nations in our America to put an end to U.S. hegemony in our region, which to a great extent has been based on the division of our countries that Washington has historically fomented.

It is not by chance that the Mexican delegation described Cuba's admittance to the Latin America Parliament as a victory for Latin America's unity and that other deputies termed it a historic event. The 140 votes in favor of Cuba, 25 against, and 3 abstentions are also an indication of how much progress has been made toward Latin American unity. Only 12 Salvadoran, 12 Paraguayan, and 1 Peruvian parliamentarians voted against Cuba, while 3 Hondurans abstained. They represent countries dominated by military dictatorships or that are totally subjugated to Washington's mandates.

However, Cuba's entry was not the only momentous decison made at this Latin America Parliament meeting. Also very significant was the admittance as full members of the Argentine, Uruguayan, and Nicaraguan parliaments. This shows that there is a new reality in Latin America. We are no longer living in the era of easy OAS resolutions against Cuba or even times when the U.S. trampled over our countries' sovereignty with almost total impunity, as it did in the Dominican Republic and later in Grenada.

We are now facing a new moment, when it is increasingly difficult for the United States to maintain dictatorships such as Stroessner's in Paraguay or Pinochet's in Chile. This is a time when Latin Americans, going beyond their religious beliefs or political affiliations, and even beyound their social and economic positions, unite to defend themselves against the brutal plundering and crisis that affects them all.

There is no doubt that the times are different and that unity prevails. The new phase is marked by the memory of the Malvinas conflict, during which Argentine blood was shed as a result of the firing of British-American weapons. Today's reality is that of Latin America's poverty which makes a few Yankee millionaires richer. The meeting in Brasilia was a warning to the United States that times have changed, and it was also a signal to Washington of what could happen in our America if Sandino's homeland is attacked.

SIMMONDS ADDRESSES PARLIAMENTARIANS CONFERENCE

FL262022 Bridgetown CANA in English 2214 GMT 25 Jun 85

[Text] Basseterre, St Kitts, June 25, CANA -- St Kitts and Nevis Prime Minister Dr Kennedy Simmonds says the foundations of parliamentary democracy are under seige. Simmonds made his remarks at a three-day Commonwealth Caribbean parliamentarians conference which opened here yesterday.

He urged delegates to give serious consideration to the whole issue of the security of countries, and in their interests security of small states. Dr Simmonds also said that solutions ought to be found to the problems of drug trafficking.

In an apparent reference to a recent fire which destroyed the headquarters of the ruling People's Action Movement, Simmonds said that when opposition elements in the island resort to arson in order to destabilize the quiet and tranquillity of our country, it was time for all parliamentarins of whatever shade of political opinion -- whatever side of the political fence -- to stand up and condemn such action. We ignore these very serious problems at our peril, Simmonds said.

The opposition Labour Party boycotted the conference, accusing the government of treating it with contempt. They claim they have never been invited to a meeting of the local Commonwealth Parliamentary Association.

All English-speaking Caribbean countries, except the Bahamas and Belize, were present. Some 25 delegates are attending the conference which will discuss issues ranging from the role of the speaker in parliament to security in small states.

ANTIGUA AND BARBUDA

BIRD SIGNS EC5-MILLION AGREEMENT WITH PRC

FL261626 Bridgetown CANA in English 1412 GMT 26 Jun 85

[Text] Beijing, June 26, CANA -- China has agreed to give Antigua and Barbuda EC2 million dollars (one EC dollar: 37 U.S. cents), officials of the Caribbean island said today. The grant is part of a package of benefits which Antigua and Barbuda will receive from Beijing in an agreement signed today by Deputy Prime Minister Lester Bird and Chinese Minister of Economic Relations and Foreign Trade Zheng Tuobin. Bird is currently on an official visit to China at the head of a delegation which includes Minister of Agriculture Robin Yearwood and Minister Without Portfolio Hugh Marshall.

China has agreed to provide lines of credit for raw materials which could be processed in Antigua and Barbuda, the officials said. The minister has also signed a memorandum of understanding to establish a number of joint ventures in Antigua with the Chinese Government. Bird made it clear that the joint ventures would be open for participation by the private sector, they said. Bird said in a statement that taken as a whole the agreement signed with Peking represents over EC5 million dollars worth of assistance to Antigua and Barbuda, 2 million of which is a grant. He said he told his hosts we have found you to be nothing less than genuine friends and we have greatly appreciated the fact that your assistance to us has been given on a basis of equality and mutual respect.

Tonight Bird, who is also his country's foreign and economic affairs minister, held an hour long meeting with the Chinese premier, Zhao Ziyang. The delegation leaves here tomorrow morning for Hong Kong.

DOMINICA

8 INJURED IN INCIDENT DURING DFP MEETING

FL262003 Bridgetown CANA in English 1908 GMT 26 Jun 85

[Text] Roseau, Dominica, June 26, CANA -- Eight persons, including two police officers, were injured last night when stones and bottles were thrown at a public meeting being held by the ruling Dominica Freedom Party (DFP), the police reported today. Prime Minister Eugenia Charles told reporters a bottle shattered at her feet and that she was struck by fragments but was not cut. The incident, in the southern village of Grandbay, was the latest in a series which has marred campaigning for the July 1 general election.

Miss Charles said supporters of the Dominica Labour Party (DLP), her main rivals for the election, had attacked her meeting. But DLP leader Michael Douglas issued a statement saying party supporters were being falsely accused of acts of violence of which we know nothing. Police last night sent reinforcements into the Grandbay area. Commissioner Ensley Pierre said vehicles belonging to Government Minister Brian Alleyne and the police were damaged by stones and bottles. He said no arrests had been made.

Miss Charles told today's news conference: The Labour Party's supporters, the communists among them, of course, threw stones and bottles at our meeting. She said she was not afraid of campaigning against a background of violence. People must understand that they cannot threaten people and they cannot prevent people from doing the things they have to do, she said. We will not stand for this. The prime minister, called Mama Charles by supporters of her party, said that the stone throwing followed chants by opposition supporters of Mama must go.

The opposition party, in a statement, said that Douglas has been threatened and it appealed to the police to maintain law and order in the country. We have the utmost confidence in their ability to prevent, where possible, and adequately supervise possible areas of conflict, the party said. It called on its supporters to keep cool, calm, and stay away from Freedom Party meetings.

CHARLES REFUSES DPRK REQUEST TO OPEN EMBASSY

FL261918 Bridgetown CANA in English 1742 GMT 26 Jun 85

[By Reudon Eversley]

[Text] Roseau, Dominica, June 26, CANA -- Dominica has turned down North Korean requests to establish an embassy here because local authorities have evidence that Pyongyang has been paying a leftwing opposition political activist to be its unofficial representative here, Prime Minister Eugenia Charles said. Her disclosure, in an interview with the CARIBBEAN NEWS AGENCY (CANA), was made to support persistent charges by the Dominica Freedom Party (DFP) that communist countries were financing the campaign of the opposition Dominica Labour Party (DLP) to secure the defeat of the DFP in next Monday's general election.

(The North Koreans) have tried their best to have an embassy here and I have at all times refused it and told them that I am refusing it because I know they have already appointed, unofficially, the ambassador in this country, so they will have to do with that representation, Charles said.

Libya, Cuba, and North Korea are among socialist countries accused by the authorities of interfering in Dominica's affairs by providing cash to the DLP, its main opponents. DLP leader Michael Douglas and North Korea have denied the charge.

Charles said leading figures of the DLP had made trips to Panama to collect Libyan funds and to Guyana where she said the North Korean cash was being handed over. The North Korean diplomatic mission, which is accredited to the Eastern Caribbean, is based in Georgetown. She said the communists were seeking to engineer her defeat in apparent retaliation for her key role in the October 1983 U.S.-led intervention in Grenada which brought an end to Marxist rule there. But she said: I am quite satisfied that the electorate are with us. The DFP had run a very orderly and disciplined campaign, and expected to win all 20 of the 21 seats it was contesting, added Miss Charles, who is anticipating a voter turn-out of at least 80 per cent.

The Dominican leader, who survived three coup attempts, said she felt comfortable with present security arrangements, knowing that Dominicans were very alert and supported their elected government and that friendly countries would lend help if requested. (Dominicans) are not prepared to allow people from outside or people from inside to force their government that is duly elected out of office, she said.

JAMAICA

TRADE UNIONS REJECT SEAGA'S CALL TO END STRIKE

FL261705 Bridgetown CANA in English 1655 GMT 26 Jun 85

[By Paget Defreitas]

[Text] Kingston, Jamaica, June 26, CANA -- Jamaican trade unions have rejected Prime Minister Edward Seaga's call for a return to work and for the third day maintained a general strike that has virtually crippled industry and commerce.

Seaga said in parliament last night that if the union leaders ordered a resumption today, he would meet with them immediately afterwards.

The strike continues until the people who gave us the mandate say what to do about the prime minister's total rejection of their claims and positions, E. Lloyd Taylor, chairman of the Joint Trade Union Development Centre (JTDC), told CANA today. The six major unions, which Sunday night called the strike after a big workers rally in Kingston, have planned another for tomorrow evening when they say they will take instructions from their members.

The unions, including the Bustamante Industrial Trade Union (BITU) which is affiliated to Seaga's Jamaica Labour Party (JLP), are angered by the government's International Monetary Fund (IMF) dictated austere economic policies. They have called on the administration to increase its 10 per cent wage offer to public sector employees, halt redundancies among employed workers, and slow down price increases which have been rocketing here for the past two years. But meeting the demands would mean a fundamental shift in Seaga's policies, and instituting their calls for such measures of reflating the economy and halt to the government's programmes of economic deregulation. But this was a position Seaga was unwilling to concede, arguing that his economic course was unavoidable and correct.

Seaga in last night's statement said that maybe his economic framework was not sufficiently clear, and parts needed further clarification. He would be happy to meet with union leaders to discuss with them in the fullest and frankest terms the constraints facing his government. If there are ways within those constraints to ease the burden, I and my government will be the first to rejoice and implement them, he said. However, after a long meeting yesterday with Deputy Prime Minister Hugh Shearer, who is also substantive president of the BITU, the unions said Seaga's statement did not provide a basis for resumption. We insist that there is justification for a further improvement in the wage offer to the public sector employees, a joint statement by the six said. We further insist there should also be a revision of present government policy with respect to layoffs and redundancies.

Taylor, who is also general secretary of the Jamaica Association of Local Government Officers (JALGO), accused the prime minister of talking down to unions and workers and ignoring industrial relations procedures by saying if we tell the people to go back he will not negotiate and discuss but explain to us.

Although the strike was triggered by the public sector wage dispute and called by six unions, it has received widespread support from others and has also affected the private sector. The hardest hit areas have been the utilities, especially power and water. This in turn has affected sectors of the economy, for example forcing factories that might not have struck to shut down. Although the power supply improved today with a greater turn-out of supervisors and managers, most of the country was still without electricity.

The situation at the international airports was improving as air traffic controllers returned after a two-day strike, saying that they were taking the decision in the interest of safety as towers were being manned by people not fully trained. Some banks reopened today after a day of solidarity, and union officials said that their action was so structured to allow government and other workers to carry out monthend transactions. But for the second day, schools remained closed as the Jamaica Teachers Association (JTA), which is not one of the big six, continued what it said would be a two-day action.

Workers at the GLEANER newspaper, which publishes THE DAILY GLEANER and the afternoon paper, THE STAR, staged a three-hour stoppage in support of the national strike. However, the action by journalists and production and commercial staffers will not affect the publication of today's STAR and tomorrow's GLEANER. The GLEANER itself, in a front page editorial called for an end to the strike, using the rally cry of the unions: Enough is enough. There must be sympathy for the suffering caused by economic austerity, but inflicting even more pain is no answer, the paper said.

The Jamaica Council of Churches (JCC) which represents main stream churches and the Jamaica Association of Evengelicals have also called for a work resumption and dialogue. The JCC said the unions had made their point and the government should be aware of the mood of the people.

However, there was potential for the strike becoming worse for at the government-owned Petrojam oil refinery a required 72-hour strike notice expires tomorrow, which if implemented will cause a total shut-down of the plant. Certain sections have already been hit and no petrol has been loaded for service stations this week. Union sources have also spoken of the possibility of bauxite workers, who staged a one-hour stoppage yesterday, also joining the strike.

WPJ CALLS FOR GOVERNMENT'S RESIGNATION

FL261915 Bridgetown CANA in English 1845 GMT 26 Jun 85

[Text] Kingston, Jamaica, 26 June CANA -- The Marxist Workers Party of Jamaica (WPJ) today urged workers to demand the resignation of the Edward Seaga government and new elections in the face of a widespread strike against the administration's policies. The party recommended workers intensify rather than call off their general strike, and maintain red alert against terrorists and criminals seeking to frighten the public into withdrawing support for the strike.

The strike is linked to Seaga's austere monetarist policies, but the prime minister has argued that the programmes are necessary for Jamaica's economic survival. The action, now in the third day, has been generally peaceful, though arson has been claimed in yesterday's pre-dawn burning of two disused wards on the compound of the Kingston public hospital. Patients had to be evacuated from two wards in a nearby new wing of the hospital while soldiers, in the absence of striking firemen, fought the blaze, hampered by low water pressure, also a result of the strike.

Prime Minister Seaga, in an address to parliament last night, appealed for a return to work. He claimed that striking ancillary staffers tried to prevent the feeding of patients at the hospital yesterday.

Six major trade unions, which called the strike, said it was unfortunate that the prime minister had attempted to associate them with notorious gangs and thuggery.

The WPJ, in it statement, said that if it had taken the first organised general strike in Jamaica's history to hear that the government would not back down from policies that provoked the action then there was clearly no choice left but to call for a new government that can implement the just demands of the trade unions, such as a reinstitution of price controls and an end to lay-offs.

NETHERLANDS ANTILLES

CURACAO DOCKWORKERS STRIKE CAUSES SHORTAGES

FL261725 Hilversum International Service in English 1030 GMT 26 Jun 85

[Text] On the island of Curacao, a 5-day old harbor strike is causing a shortage of raw materials for a number of important companies. The strike by dockworkers was touched off by a decision of the Curacao Government to let a mining company offload its own cement at Fuikbaai. The dockworkers want the cement to continue to be offloaded at Willemstad, where it provides well-paid work for some 30 personnel. To back up their demand, the dockworkers have refused all loading work nor will they help [word indistinct] passenger ships visiting Curacao.

Today, the island's stevedores association will ask the Willemstad Court for an injunction end the strike.

TRINIDAD AND TOBAGO

COSTA RICA'S VARGAS CALLS FOR CLOSER TIES

FL241505 Bridgetown CANA in English 1526 GMT 23 Jun 85

[Text] Port-of-Spain, Trinidad, June 23, CANA -- Costa Rica's Information Minister Armando Vargas has called for closer ties between Caribbean and Central American states. The Caribbean and Central American countries need to draw much closer together and share their common problems as part of the same region, he said. Vargas spoke with journalists during a visit here to address the annual general meeting of the Caribbean Broadcasting Union (CBU).

He also said he was concerned with promoting good understanding of his country's situation between member states of the Organisation of American States (OAS). Vargas said that an OAS investigation was underway into alleged violation of the Costa Rica border by Nicaraguan forces, but that a demilitarised country like his own needed to appeal to the international community in such a situation.